Solicitation Information
July 29, 2015

RFP# 7549765

TITLE: HealthSource RI –Operations Management and Support Services

Submission Deadline: Friday, August 28, 2015 at 10:00 AM (ET)

PRE-BID/ PROPOSAL CONFERENCE: No

MANDATORY:

If YES, any Vendor who intends to submit a bid proposal in response to this solicitation must have its designated representative attend the mandatory Pre-Bid/ Proposal Conference. The representative must register at the Pre-Bid/ Proposal Conference and disclose the identity of the vendor whom he/she represents. A vendor's failure to attend and register at the mandatory Pre-Bid/ Proposal Conference shall result in disqualification of the vendor's bid proposals as non-responsive to the solicitation.

DATE:

LOCATION:

Questions concerning this solicitation must be received by the Division of Purchases at david.francis@purchasing.ri.gov no later than **Friday, August 7, 2015 at 10:00 AM (ET).** Questions should be submitted in a *Microsoft Word attachment.* Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: **No**
BOND REQUIRED: No

David J. Francis
Interdepartmental Project Manager

Applicants must register on-line at the State Purchasing Website at www.purchasing.ri.gov

Note to Applicants:
Offers received without the entire completed three-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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SECTION 1: INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of The Rhode Island Health Benefits Exchange or HealthSource RI ("HSRI") is soliciting responses from qualified entities to provide overall Operations Management and Support Services under the Affordable Care Act (ACA) in accordance with the terms of this Request for Proposals and the State's General Conditions of Purchase, which may be obtained at the Rhode Island Division of Purchases Home Page by Internet at www.purchasing.ri.gov .

The initial contract period will begin approximately October 2015 for 12 months. Contracts may be renewed for up to 3 additional 12-month periods based on vendor performance and the availability of funds.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those offerors who have submitted proposals.

1.1 INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

1. Potential vendors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.
3. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
4. Proposals are considered to be irrevocable for a period of not less than 60 days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.
7. It is intended that an award pursuant to this RFP will be made to a prime vendor, or prime vendors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
8. All proposals should include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division's website at www.purchasing.ri.gov.
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.

10. Vendors are advised that all materials submitted to the State for consideration in response to this RFP will be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, without exception, and will be released for inspection immediately upon request once an award has been made.

11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation.

13. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).

14. The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information visit the website www.mbe.ri.gov

15. Under HIPAA, a "business associate" is a person or entity, other than a member of the workforce of a HIPAA covered entity, who performs functions or activities on behalf of, or provides certain services to, a HIPAA covered entity that involves access by the business associate to HIPAA protected health information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits HIPAA protected health information on behalf of another business associate. The HIPAA rules generally require that HIPAA covered entities and business associates enter into contracts with their business associates to ensure that the business associates will appropriately safeguard HIPAA protected health information. Therefore, if a Contractor qualifies as a business associate, it will be required to sign a HIPAA business associate agreement

16. In order to perform the contemplated services related to the Rhode Island Health Benefits Exchange (HealthSource RI) , the vendor hereby certifies that it is an "eligible entity," as defined by 45 C.F.R. § 155.110, in order to carry out one or more of the responsibilities of a health insurance exchange. The vendor agrees to indemnify and hold the State of Rhode Island harmless for all expenses that are deemed to be unallowable by the Federal government because it is determined that the vendor is not an "eligible entity," as defined by 45 C.F.R. § 155.11

SECTION 2: BACKGROUND

The State seeks to procure technical assistance services for HealthSource RI (HSRI) operating under the Affordable Care Act (ACA). This includes working with all related agencies and departments and Contractors to align service delivery and business processes to achieve program goals.

The objective of this Request for Proposal (RFP) is to competitively procure the services of a qualified health care management consulting firm that has extensive experience in federal and state health policy administration and analysis. In addition, HSRI seeks technical assistance to support the management of HSRI, to support HSRI's transition from development and implementation to daily ongoing operations of the health benefits exchange, its services and associated initiatives under the ACA. The firm must demonstrate significant expertise in managing HSRI initiatives and operations and other support activities as detailed in Section 3 below. The firm must demonstrate expertise in providing efficient and effective operations management and support in compliance with ACA and HSRI rules and regulations.

Through this procurement, Rhode Island seeks to acquire a vendor partner that is able to achieve Rhode Island's goals of providing high quality operations management and support in a cost-effective manner within state operating budgets.

SECTION 3: SCOPE OF WORK

The Scope of Work related to this RFP is detailed in the following sub-sections as follows:

1. Operations Management & Analytical Support
2. Open Enrollment Support
3. Issue Escalation Support
4. Special Enhancement Activities As Needed

Each of these major elements of scope (Tasks) are further detailed in the following sections. While each Task is separately and distinctly listed below, HSRI expects that all Tasks will be performed in an integrated and cohesively coordinated manner. In addition, this support is expected to be provided in a team structure as follows;

RFP Section Reference	Role	Anticipated %
3.1	Operations Management & Analytical Support	
3.1.1	Engagement Manager	75%
3.1.2	Issue Escalation Manager	100%
3.1.3	IT Operations & Release Manager	100%
3.1.4	Data & Reporting Analyst	100%
3.1.5	Customer Service Project Manager	100%
3.2	Open Enrollment Support	
3.2.1	Project Manager	100%
3.2.3	Reconciliation Analyst	100%
3.2.3	Customer Service Policy Analyst	100%

3.2.4	Carrier Operations Project Manager	100%
3.2.5	Reporting Manager	100%
3.3	Issue Escalation Management	
3.3.1	Issue Escalation Coach	100%
3.3.2	Issue Escalation Specialist (6 Positions)	100%

As described in the Cost Proposal section of this RFP, each of these roles are to be provided as a monthly cost for an unspecified period of performance that can be engaged or disengaged at the discretion of HSRI with 45 days' notice.

1.2 TASK 1: Operations Management and Analytical Support

Once implementation of the HSRI system is finalized and all systems are stabilized, the long term operations team will be made up of the following roles and responsibilities:

1.2.1 Engagement Manager

Responsibilities of the Engagement Manager (anticipated on a 75% basis)

1. Provide overall direction and oversight to the team encompassed in this RFP/Scope of Work;
2. Provide strategic advice and executive guidance to the HSRI Chief Operating Officer (COO)
3. Establish priorities in collaboration with the HSRI management team;
4. Monitor and track progress of all Operations support staff under this RFP scope as requested/guided by the HSRI COO
5. Provide direction and support to all Operations Support staff under this RFP scope;
6. Create status reports, task tracking and operations reports as required to keep HSRI operations running efficiently in addition to providing reports as requested by HSRI leadership;
7. Support the development of HSRI policies and procedures;
8. Support the HSRI management team in the definition and implementation of HSRI's key strategies. Perform analyses and advise HSRI Leadership in determining the most appropriate purchasing and business model(s) for delivering HSRI products and services;
9. Assist the State in reviewing and prioritizing projects and initiatives;
10. Develop standard project processes, tools and templates based on best-practice models;
11. Assist HSRI leadership with coordinating communications of key operational and policy decisions across functional areas;
12. Provide expertise in Project Management and assist the State in improving efficiencies and promote excellent customer service. This will include integration and coordination of policies, priorities, business practices and data across HSRI. The Contractor will provide support for program restructuring and cost containment efforts for HSRI.
13. Assist HSRI leadership in implementing all required policies and procedures related to new initiatives and projects;

14. Assist HSRI with responses to requests submitted by federal and state auditors. This will include analytic research and synthesizing data and reports for audit reviews as well as developing and implementing improvement plans based on audit findings.
15. Assist HSRI with identifying potential barriers to help ensure the effectiveness and timely implementation of initiatives and projects; and,
16. Assist in developing and refining strategic models for budget initiatives. In addition, assist the HSRI leadership with forecasting and tracking savings impacts, as well as policy and program implications and outcomes;
17. Provide ongoing tracking, reporting and evaluation of key HSRI indicators including providing technical assistance and support to strengthen the integrity of HSRI. This will include oversight and monitoring of the program integrity efforts of HSRI including but not limited to client and carrier fraud and abuse detection, identification of improper payments, recovery efforts, and compliance with federal and state regulations.
18. Provide on a monthly basis a written report in a format agreed to by HSRI on the activities of all staff supporting this contract. At a minimum, the report shall contain:
    a. For each staff member, the number of hours scheduled versus the number of hours worked
    b. A listing of all tasks assigned along with the original due date and the date the task was actually completed or is projected to complete
    c. A listing of issues that the staff member is currently addressing
    d. A listing of all unplanned tasks for the month
    e. Identification of risks the staff member has identified in their area of responsibility
    f. Identification of any concerns regarding the performance of their responsibilities as identified in the contract that need to be escalated to HSRI senior management.

1.2.2 *Issue Escalation Director*

Responsibilities of the Issue Escalation Director will be to (anticipated to be on a 100% basis):

1. Oversee the Issue Escalation Process for managing and resolving customer escalations through the following channels:
    g. Contact Center
    h. HSRI Customer Accounts
    i. HSRI Public Affairs
    j. Brokers, Assisters and Navigators
    k. Financial Management System
    l. Medical and Dental Insurance Carriers
    m. Medicaid (for mixed families)
    n. HSRI Senior Staff
2. Oversee the activities of the Issue Escalation Team including, managing workload and setting priorities to meet customer service goals set by HSRI, reporting to the Contact Center Project Manager and HSRI Senior Staff on the work of the Issue Resolution Team, assisting Team members with complex resolutions, escalating resolutions as necessary;

3. Report to the Contact Center Manager.

1.2.3 *IT Operations & Release Manager*

Responsibilities of the IT Operations & Release Manager will be to (anticipated to be on a 100% basis):

1. Oversee and manage the technology release process on behalf of HSRI and in cooperation with the Unified Health Infrastructure Project (UHIP) leadership team, ensuring that:
    a. HSRI Subject Matter Experts review and comment on draft Functional Design Documents and other documents that define, verify and support HSRI related system functionality;
    b. Coordinate verification and assure no adverse implications of new functionality releases to HSRI and the overall customer experience;
    c. Other release and IT related tasks as identified by HSRI and UHIP leadership
2. Report to the HSRI COO

1.2.4 *Data and Reporting Analyst*

Responsibilities of the Data and Reporting Analyst will be to (anticipated to be on a 100% basis):

1. Provide regular and ad hoc data analysis for HSRI leadership and team members upon request;
2. Provide financial analysis in support of general operations, responses to legislative and other RI processes including but not limited to sustainability modeling and cost allocation;
3. Provide analytic support to ensure reliable and consistent information to assess program performance, identify budget, enrollment and utilization trends and opportunities to maximize program efficiencies. Assist HSRI leadership with identification of potential problematic fiscal, utilization or access trends and assist HSRI with developing and implementing strategies to address these areas.
4. Develop models to analyze fiscal implications of changes in policy;
5. Performs other data and reporting tasks as requested by HSRI leadership;
6. Provide technical assistance in the development, review and dissemination of federal, state and programmatic reports. These include but are not limited to the following reports:
    a. Centers for Medicare and Medicaid Services (CMS)
    b. CMS quarterly financial reports
    c. Annual HSRI Expenditure Report
    d. State Budget Reports and legislation impact statements
    e. Legislative reports as required
    f. HSRI special topic reports as requested
7. Report to the Deputy Director for Policy, Planning and SHOP Development

1.2.5 *Contact Center Project Manager*

Responsibilities of the Contact Center Project Manager will be to (anticipated to be on a 100% basis):

1. Perform all tasks relating to managing the Contact Center under the direction of the HSRI Contact Center Director, including but not limited to;
    a. Supporting and improving Contact Center operations, assuring maximum efficiency and accuracy of the Contact Center operation;
    b. Manage the Contact Center Vendor(s) to assure contract compliance and cost-effective operations;
    c. Implementation of special projects, outbound campaigns and other Contact Center dependent initiatives;
    d. Oversight of the Issue Escalation Team.
2. Report to the HSRI Contact Center Director who will provide oversight and direction to the Contact Center Project Manager

1.3 TASK 2: Open Enrollment Support

HSRI requires a team responsible for providing support to HSRI operations through the third Open Enrollment period (OE3), the end of 2015 reconciliation process with the carriers and to prepare for the 2015 tax season. The need for this team is due to the fact that HSRI's information technology system, UHIP, is not fully implemented and is not in a stable system state. Once fully stabilized, the UHIP system will support many of the functions that need to be performed by this team. This team is expected to support HSRI from October 2015 to March or April 2016. This task order is contingent on the availability and allowability of remaining HSRI section 1311 funds. This project will be made up of the following roles and responsibilities:

1.3.1 IT Operations Project Manager

Responsibilities of the IT Operations Project Manager will be to (anticipated to be on a 100% basis):

1. Provide technical project management and cross-functional support to HSRI's IT and customer service operation's teams for the following projects:
    a) UHIP Problem Ticket Management
    b) 2015 Tax Season
    c) 2015 Account Reconciliation
    d) UHIP Technology Releases
2. Report to the HSRI COO

1.3.2 Reconciliation Analyst

Responsibilities of the Reconciliation Analyst will be to (anticipated to be on a 100% basis):

1. Develop, implement and manage the following projects:
    a) A carrier 834 discrepancy process
    b) A discrepancy analysis tracking and resolution process with medical and dental insurance carriers and HSRI's technology vendor
    c) A discrepancy root cause analysis process
    d) A discrepancy status and resolution reporting process for internal staff and external partners
    e) Provide support to other reconciliation processes including monthly full files, CMS reports, and financial reconciliation
2. Report to the HSRI Reconciliation Manager

1.3.3 Customer Service Policy Analyst

Responsibilities of the Customer Service Policy Analyst will be to (anticipated to be on a 100% basis):

1. Develop, implement and manage the following projects:
    a) A process for receiving, tracking and documenting policy questions that arise from the Issue Escalation Team and HSRI's appeals preparation and resolution work and for obtaining answers to such questions through HSRI Senior Staff;
    b) Ensuring that new, revised or clarified policy direction provided by HSRI Senior Staff is disseminated accurately, efficiently and in a timely way to all necessary parties, including the Contact Center Project Manager and other key HSRI partners.
    c) An assessment of the effectiveness of existing policies and processes in place at HSRI and recommendations for updates and revisions;
    d) A process for receiving, tracking and documenting policy questions that arise out of release and design work and for obtaining answers to such questions through HSRI Senior Staff while ensuring direction to relevant release and design team members is communicated back;
    e) A process for managing key policy initiatives necessary to the success of Open Enrollment, including the provision of policy support to plan management, issuer agreement and open enrollment projects.
2. Report to the HSRI Contact Center Manager

1.3.4 Carrier Operations Project Manager

Responsibilities of the Carrier Operations Project Manager will be to (anticipated to be on a 100% basis):

1. Develop, implement and manage the following projects:
    a) A communication and escalation process across all HSRI functions with the medical and dental carriers
    b) A process for integrating carrier viewpoints into HSRI's policy development and information technology design and release process
    c) The coordination of customer service and training processes
2. Serve as the point of contact for carriers for any operational, customer service, or plan-related issues, including questions, comments, and escalations
3. Work on special projects related to carriers
4. Report to the Deputy Director for Policy, Planning and SHOP Development

1.3.5 Reporting Manager

Responsibilities of the Reporting Manager will be to (anticipated to be on a 100% basis):

1. Develop, implement and manage the following projects:
    a. A process for making data policy decisions including collection, analysis, and release of data
    b. A long term structure and process for HSRI data analysis and reporting for when HSRI's IT system has stabilized and reporting resources are scarce
    c. A process for requesting and preparing special reports, special projects, and data partnership agreements
2. The Reporting Manager will report to the Deputy Director for Policy, Planning and SHOP Development

1.4 TASK 3: Issue Escalation Management

HSRI requires a team to be responsible for working and resolving Tier 2 customer issues that are escalated above the contact center's front line staff. This team will be integrated into HSRI's core team. This team will not field first tier inbound calls, but they will be responsible for resolving escalated and priority cases, as identified by HSRI, from start to finish which will involve ongoing communications with customers. This team may also be responsible for other "back office" functions such as implementing special customer outreach projects requiring direct customer service and conducting case tracking documentation.

As part of this task, the vendor will be required to work with the HSRI Leadership team to identify, define and determine monitoring methods and metrics for performance standards for issue escalation, management and resolution.

This team will be made up of one coach who will report to the Contact Center Project Manager and six specialists who will report to the coach.

1.5 TASK 4: Special Enhancement Activities as Needed

In addition to Tasks 1 through 3, should additional funding become available, the State reserves the option to direct the Operations Management and Support Services Vendor to conduct additional tasks to support the overall scope of this project. It is critical that the state have the flexibility to bring on additional technical assistance and expertise in a timely manner in order to perform activities which require similar expertise and work functions as those in Sections 3.1 through 3.3.

The decision to utilize services under Task 4 will be solely at the State's request, and will be for specific enhancement activities not already included under Tasks 1 through 3. These optional activities will be defined and agreed to in writing, by both the State and the vendor, before any enhancement work begins. There is no commitment on the part of the State to utilize any or all special projects/enhancement activities. All bidders must bid on Task 4 using the hourly rates established in the award. Task 4 should be bid and paid on a fully loaded time and materials basis for all personnel and subcontractors to be utilized in completing the optional task(s). This work must support but not duplicate the work described in the technical proposal's scope of work. This work cannot exceed 10% of the initial award. Should new funding become available the Purchasing Agent would need to authorize payments in excess of 10% of the contract for special enhancements. The awarded vendor shall not perform any special enhancement activities without receipt of a formal change order issued by the Division of Purchases.

SECTION 4: TECHNICAL PROPOSAL

The separate technical proposal should address specifically each of the below required elements:

A. Executive Summary

a. Please submit an executive summary consisting of not more than two pages that summarize the contents of the Response with the firm's name located on the top of the page

B. Company History and Affordable Care Act (ACA) Knowledge

a. Please describe your firm's ACA related experience and expertise

b. Please describe your firm's experience in providing health insurance operations support services of similar or larger size and scope to HSRI's operations within the past 5 years

c. Please provide a minimum of three client references for contracts your organization has led or participated in of similar size and scope to the tasks described in Section 3 of the RFP.

C. Staff Qualifications

a. Please identify the name of the staff member proposed for each role below:

RFP Section Reference	Role	Proposed Name (or TBD)
3.1	Operations Management & Analytical Support	
3.1.1	Engagement Manager	
3.1.2	Issue Escalation Manager	
3.1.3	IT Operations & Release Manager	
3.1.4	Data & Reporting Analyst	
3.1.5	Customer Service Project Manager	
3.2	Open Enrollment Support	
3.2.1	Project Manager	
3.2.3	Reconciliation Analyst	
3.2.3	Customer Service Policy Analyst	
3.2.4	Carrier Operations Project Manager	
3.2.5	Reporting Manager	
3.3	Issue Escalation Management	
3.3.1	Issue Escalation Coach	
3.3.2	Issue Escalation Specialist (1)	
	Issue Escalation Specialist (2)	
	Issue Escalation Specialist (3)	
	Issue Escalation Specialist (4)	
	Issue Escalation Specialist (5)	
	Issue Escalation Specialist (6)	

b. Identify each staff role as described in Section 3 of the RFP. For each role (Section 3.1-3.3) provide the name, background, experience and resume for each named role.

c. If you are proposing to fill a role but have multiple candidates for the role, provide all names, background, experience and resume for each submitted name.

d. Where your firm is proposing to fill a role but has not yet identified specific candidates, describe your firm's approach to staff hiring, training, and retaining that role.

e. Describe other approaches and plans your firm has for assuring HSRI and its customers a seamless transition from the existing contract for these services to your firm in terms of improving overall quality and service.

D. **Comprehensive Team**

a. Offerors will be measured on their ability to provide a detailed plan exhibiting their ability to identify qualified individuals who are readily able to begin work on this engagement as soon as the contract is awarded and a purchase order is issued.

SECTION 5: COST PROPOSAL

The separately submitted cost proposal should be made up of the below elements. Bidding vendors MUST fill out all three forms and submit their cost proposal in a separate sealed document from the technical proposal responses.

A. Cost Form (Appendix A – Cost Form 1 of 3) – Please list the total cost of the initial term of this engagement

B. Budget Workplan (Appendix A – Cost Form 2 of 3) – Please provide the following information for each position listed under each task order.

a. Hourly Rate
b. Start and End Dates
c. Cost Per Month

C. Project Budget (Appendix A – Cost Form 3 of 3) – Please provide total cost by month broken out by personnel costs, expenses and administrative costs. Personnel cost totals should match total costs in Cost Form 2 and total project costs should match the total cost listed in Cost Form 1.

SECTION 6: EVALUATION AND SELECTION

Proposals will be reviewed by a Technical Review Committee comprised of staff from state agencies. To advance to the Cost Evaluation phase, the Technical Proposal must receive a minimum of 55 out of a maximum of 70 technical points. Any technical proposals scoring less than 55 points will not have the cost component opened and evaluated. The proposal will be dropped from further consideration.

Proposals scoring 55 technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in cost category, bringing the potential maximum score to 100 points.

HSRI reserves the exclusive right to select the individual(s) or firm (vendor) that it deems to be in its best interest to accomplish the project as specified herein; and conversely, reserves the right not to fund any proposal(s).

Proposals will be reviewed and scored based upon the following criteria:

Criteria	Possible Points
Company History and Affordable Care Act Knowledge	10 points
Staff Qualifications	45 Points
Comprehensive Team (e.g. ability to provide the entire team with qualified individuals)	15 Points
Total Possible Technical Points	70 Points
Cost *	30 Points
Total Possible Points	100 Points

*** Cost scoring is calculated as the lowest responsive cost proposed divided by 30 points. The Low bidder will receive one hundred percent (100%) of the available points for cost. All other bidders will be awarded cost points based upon the following formula:**

(low bid / vendors bid) * available points

For example: If the low bidder (Vendor A) bids $65,000 and Vendor B bids $100,000 for monthly cost and service fee and the total points available are Thirty (30), vendor B's cost points are calculated as follows:

$65,000 / $100,000 * 30= 19.5

Points will be assigned based on the offeror's clear demonstration of his/her abilities to complete the work, apply appropriate methods to complete the work, create innovative solutions and quality of past performance in similar projects.

Applicants may be required to submit additional written information or be asked to make an oral presentation before the technical review committee to clarify statements made in their proposal.

SECTION 7: PROPOSAL SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at david.francis@purchasing.ri.gov no later than the date and time indicated on page one of this solicitation. Please reference **RFP #** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-9709.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties will be permitted**. Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases will not be considered.

Responses **(an original plus four (4) copies)** should be mailed or hand-delivered in a sealed envelope marked "**RFP# 7549765 HealthSource RI –Operations Management and Support Services** " to:

RI Dept. of Administration

Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

7.1 RESPONSE CONTENTS

Responses shall use the Response Template and the Cost Proposal attachments provided as part of this RFP. Included in the Response Template are the following:

1. One completed and signed three-page R.I.V.I.P generated bidder certification cover sheet (included in the original copy only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
2. One completed and signed W-9 (included in the original copy only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
3. **A separate Technical Proposal** using the Response Template provided in Attachment A of this RFP.
4. **A separate, signed and sealed Cost Proposal** using the Response Template provided in Attachments B, C and D of this RFP.
5. In addition to the single, hand signed hard copy of the proposal required, Respondents are requested to provide their proposal in **electronic format** (**CD-Rom, disc, or flash drive**).

Microsoft Word format is preferable. Only 1 electronic copy is requested and it should be placed in the proposal marked "original".

SECTION 8: CONCLUDING STATEMENTS

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, and to award in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for award.

The State's General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State's General Conditions of Purchases/General Terms and Conditions can be found at the following URL: https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf

Contract Compliance

Failure of the successful bidder to comply with the terms and conditions of Appendix B: Contract Template pursuant to this solicitation may result in nonpayment, suspension or termination of the contract, suspension or debarment of the bidder, or any other necessary or appropriate remedy.

APPENDIX A: COST FORM (1 of 3) - 12 month TOTAL

VENDOR NAME: _____

Proposed prices for the Operations Management and Support Services Bid:
The cost amount should be supported by a schedule of hourly rates and estimated time for each level of staff assigned to the engagement (Attachment A -spreadsheets 2 and 3). Indicate the total cost of the initial contract year (12 months) of this engagement:
$_____.00, or _____dollars and no/cents.

_____ _____
(Authorized official of the firm) (Date)

Appendix A (Form 2 of 3) BUDGET WORKPLAN
(THIS FORM MUST BE USED, COMPLETELY FILLED OUT, AND ATTACHED - all cells in White need to be filled in)

A

Project Key Milestones		Hourly Rate	Start Date	End Date	2015 Cost Per Month			2016 Cost Per Month									Cost
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
TASK 3.1: Operations Management & Analytical Support																	
A																	-
B																	-
C																	-
D																	
E																	-
				Sub Total:	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-
TASK 3.2: Open Enrollment Support																	
A																	-
B																	-
C																	-
D																	
E																	-
				Sub Total:	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-
TASK 3.3: Issue Escalation Support																	
A																	-
B																	
C																	
D																	
E																	-
F																	-
G																	-
				Sub Total:	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-
				Total:	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	-

Appendix A (Form 3 of 3) Monthly Forecast Project Budget
(THIS FORM MUST BE USED, COMPLETELY FILLED OUT, AND ATTACHED - all cells in White need to be filled in)

Name of Vendor:

	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Total
Personnel*	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0
Expenses (Supplies/Equipment/Software)													$0
Administrative Costs													$0
Total	-	-	-	-	-	-	-	-	-	-	-	-	-

*Must match costs by month in Cost Form 2

Appendix B: Contract Template

AGREEMENT

Between the

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

DEPARTMENT OF ADMINISTRATION – HEALTHSOURCE RI

AND

VENDOR

Name of Contractor: **TBD**

Title of Agreement: **TBD**

Basis for Contract: **TBD**

Contract Award: **TBD**

Performance Period: **TBD**

A G R E E M E N T

This agreement, hereinafter "Agreement", including attached ADDENDA, is hereby entered into this x__day of xxx, xxxx, by and between the State of Rhode Island acting by and through the **Department of Administration – HealthSource RI** (hereinafter referred to as "the State") and Vendor (hereinafter referred to as **"the Contractor**").

WHEREAS**,** the State desires to engage the Contractor to offer services and activities further described, but not limited to the work described in this Agreement, including any Exhibit(s) or Addenda, that are attached hereto and are hereby incorporated by reference into this Agreement.

WHEREAS the Contractor is willing and qualified to provide services, the parties hereto do mutually

PAR. 1. GOVERNING LAW AND GENERAL TERMS AND CONDITIONS

The State's Purchasing Law (Chapter 37-2 of the Rhode Island General Laws) and Rhode Island Department of Administration, Division of Purchases, Purchasing Rules, Regulations, and General Conditions of Purchasing apply as the governing terms and conditions of this Agreement, which can be obtained at **http://www.purchasing.ri.gov/rulesandregulations/rulesAndRegulations.aspx**. In addition, the provisions of Federal Laws, Regulations and Procedures governing the implementation of federal funds apply to this Agreement. See also **PAR. 35. - GOVERNING LAW** for further governing law issues. All ADDENDA referenced herein and attached hereto are made a part of and are inclusive in this Agreement.

PAR. 2. PERFORMANCE

The Contractor shall perform all obligations, duties and the required scope of work for the period of time listed in this Agreement, Exhibit(s) and/or Addenda that are attached hereto and are incorporated by reference herein, in a satisfactory manner to be determined at the sole and absolute discretion of the State, and in accordance with requirements of this Agreement. The Contractor shall perform in accordance with applicable State statutory and policy requirements as well as Federal statutory and policy requirements (as defined in 2 CFR § 200.300). More specifically, the **ADDENDUM I - SCOPE OF WORK** shall include performance measurement(s) 2 CFR § 200.301, monitoring and reporting program performance 2 CFR § 200.328, and performance must be in accordance with requirements for pass-through entities 2 CFR § 200.331. The State shall have the right at any time, to review the work being performed as well as the place where such work is performed; and to that end, the State shall be given reasonable access to all activities related to this Agreement.

In accordance with 2 CFR § 200.331 (d) the State will:

Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through

entity.
(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by 2 CFR § 200.521 Management decision.

The State may request at any time additional monitoring, reporting, site visits, and audits in accordance with 2 CFR § 200.501 or if applicable "Yellow Book" audits (see Paragraph 24). All reports pertaining to 2 CFR § 200.331, shall be maintained by the Contractor. The Contractor must retain any documents pertaining to changes requested from the State or the Federal Government in accordance with 2 CFR § 200.333.

PAR. 3. TIME OF PERFORMANCE

The Contractor shall commence performance of this Agreement on the x day of xxx, xxxx, and shall complete performance no later than the x day of xxx, xxxx (hereinafter the "Initial Term"), unless terminated prior to that day by other provisions of this Agreement. *If this contract was awarded as a result of an RFP or bid process, then, by* mutual agreement, this contract may be extended **as stated in the RFP or bid process (hereinafter "Renewal Term(s)")** beyond the Initial Term upon one hundred twenty (120) days prior written notice of the expiration of the Initial Term or any Renewal Term to the Contractor.

In the event the State or the Contractor gives notice of its intent not to renew this Agreement, the State shall have the right to extend all or any services to be performed under this Agreement for an additional period of one hundred and eighty (180) days, or such longer period as mutually agreed by the parties in writing.

PAR. 4. PROJECT OFFICER – STATE

The State shall appoint a Contract Officer to manage this Agreement. The Contractor agrees to maintain close and continuing communication with the Contract Officer throughout the performance of work and services undertaken under the terms of this Agreement. The Contract Officer is responsible for authorizing, or seeking authorization of all payments made by the State to the Contractor under this Agreement.

PAR. 5. PROJECT OFFICER – CONTRACTOR

The Contractor shall appoint a Project Officer to be responsible for coordinating and reporting work performed by the Contractor agency under this Agreement. The Project Officer shall notify the State in writing immediately, and seek approval from the State, should a change to this Agreement be necessary in the opinion of the Project Officer. Under no circumstances will a change be undertaken without the prior written approval of the State.

PAR. 6. BUDGET

Total payment for services to be provided under this Agreement shall not exceed the total budget as detailed in **ADDENDUM II**. Expenditures exceeding budget line-item categories by ten percent (10%) shall not be authorized unless prior written approval is first obtained pursuant to **PAR. 10. - MODIFICATION OF AGREEMENT**, subject to the maximum amount of this Agreement as stated above.

PAR. 7. METHOD OF PAYMENT AND REPORTS

The State will make payments to the Contractor in accordance with provisions of **ADDENDUM III - PAYMENTS AND REPORTS SCHEDULE** attached hereto and incorporated by reference herein. The State acknowledges and agrees that any increase in expenses due to delays by the State which extends the time of performance shall be subject to reimbursement of the costs associated with such delays. The Contractor will complete and forward narrative, fiscal, and all other reports per **ADDENDUM III - PAYMENTS AND REPORTS SCHEDULE.**

PAR. 8. TERMINATION AND/OR DEFAULT OF AGREEMENT

This Agreement shall be subject to termination under any of the following conditions:

a) Mutual Agreement

The contracting parties mutually agree in writing to termination.

b) Default by Contractor

The State may, by not less than thirty (30) days prior written notice to the Contractor, terminate the Contractor's right to proceed as to the Agreement if the Contractor:

1. Materially fails to perform the services within the time specified or any extension thereof; or
2. So fails to make progress as to materially endanger performance of the Agreement in accordance with its terms; or
3. Materially breaches any provision of this Agreement.

Termination, at the option of the State shall be effective not less than thirty (30) days after receipt of such notice, unless the Contractor shall have corrected such failure(s) thirty (30) days after the receipt by the Contractor of such written notice; any failure which, in the exercise of due diligence, cannot be cured within such thirty (30) day period shall not be deemed a default so long as the Contractor shall within such period commence and thereafter continue diligently to cure such failure.

c) Termination in the Interest of the State

The State may terminate this agreement at any time by giving written notice to the Contractor of such termination and specifying the effective date thereof, not less than thirty (30) days prior to the effective date of such termination. In such event, all finished or unfinished documents and other materials shall, at the option of the State, become its property. If the agreement is terminated by the State as provided herein, the Contractor will be paid an amount which bears the same rate to the total compensation as the services actually performed bear to the total services of the Contractor covered by this Agreement, less payment of compensation previously made.

d) Availability of Funds

It is understood and agreed by the parties hereto that all obligations of the State, including the continuance of payments hereunder, are contingent upon the availability and continued appropriation of State and Federal funds, and in no event shall the State be liable for any payments hereunder in excess of such available and appropriated funds. In the event that the amount of any available or appropriated funds provided by the State or Federal sources for the purchase of services hereunder shall be reduced, terminated or shall not be continued at an aggregate level sufficient to allow for the purchase of the specified amount of services to be purchased hereunder for any reason whatsoever, the State shall notify the Contractor of such reduction of funds available and the State shall be entitled to reduce its commitment hereunder as it deems necessary, but shall be obligated for payments due to the Contractor up to the time of such notice. None of the provisions of this paragraph shall entitle the State to compensation for anticipated profits for unperformed work.

PAR. 9. RESPONSIBILITIES UPON TERMINATION AND/OR DEFAULT OF AGREEMENT

Upon delivery to the Contractor of a notice of termination, specifying the nature of the termination, the extent to which performance of work under this contract is terminated, and the date upon which such termination becomes effective, the Contractor shall:

1. Stop work under this contract on the date and to the extent specified in the notice of termination.
2. Take such action as may be necessary, or as the State's project manager may reasonably direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the State has or may acquire an interest.
3. Terminate all orders to the extent that they relate to the performance of work terminated by the notice of termination.
4. Subject to the provisions of this paragraph, assign to the State in the manner and to the extent directed by the State's project officer all of the rights, title, and interest of the Contractor under the orders so terminated, in which case the State shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders, however, notwithstanding this provision, the Contractor will not be obligated to assign any such rights, title or interest in the absence of payment therefore by the State.
5. With the approval or ratification of the State's project manager, initiate settlement of all outstanding liabilities and all claims, arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this contract. Prior to a final settlement of said outstanding liabilities and claims arising out of such termination, final written approval of the State's project manager must be obtained. Final approval by the State shall not be unreasonably withheld.
6. Subject to the provisions of this paragraph, transfer title, or if the Contractor does not have title, then transfer their rights to the State (to the extent that title has not already been transferred) and deliver in the manner, at reasonable times, and to the extent reasonably directed by the State's project manager all files, processing systems, data manuals, or other documentation, in any form, that relate to all the work completed or in progress prior to the notice of termination.
7. Complete the performance of such part of the work as shall not have been

terminated by the notice of termination. The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this clause.

8. Unless terminated by the State for default of the Contractor, the Contractor shall be entitled to reasonable account shut down expenses associated with such termination including the penalties associated with early termination of lease, software, hardware, and any other unamortized or incremental expenses accrued but not charged, excluding anticipated profits which shall not be reimbursed. The Contractor shall submit all identified shut down expenses associated with such termination incurred before and prior to the termination date. Any damages to the State shall offset any shutdown expenses to the State.
9. The Contractor acknowledges and agrees the services and/or deliverables provided under this Agreement are very important to the State and that upon expiration or termination of the Agreement, must be continued without interruption whether by the State, the State, governmental agency or another private entity ("successor entity"). Prior to the end of the Termination and up to sixty (60) days thereafter, the Contractor agrees to make an orderly transition of contract and/or deliverables hereunder and to perform any and all tasks in good faith that are necessary to preserve the integrity of the work performed by the Contractor on behalf of the State. Upon termination or expiration of the Agreement, the Contractor, shall, if requested by the State at least thirty (30) days prior to such termination or expiration, provide reasonable training for the successor entity and/or continued performance of services. For providing such training or continued performance after the Term of the Agreement, the State shall pay the Contractor at mutually agreed rates for personnel used in providing such training and/or services unless services delivered are already defined herein and rates established then such rates shall apply for such period. Should any missing data, materials, documents, etc., be discovered after expiration or termination, a grace period of one hundred and twenty (120) days shall be in effect during which the data, materials, documents, etc., is to be provided at a predetermined cost or at no additional cost if the Contractor caused the loss. Lost data shall be provided to the State in form acceptable to the State.

If a stop work order issued under this clause is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Agreement price, or both, and the agreement shall be modified, in writing, accordingly, if:

a) The stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this agreement; and
b) The Contractor asserts its right to an equitable adjustment within ninety (90) days after the end of the period of work stoppage; provided, that if the state decides the facts justify the action, the state may receive and act upon a proposal submitted at any time before final payment under this Agreement.

The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this clause, however, unless termination is for a default by the Contractor, the Contractor shall have the right to recover costs associated with maintaining the personnel, leases and equipment during the period of time the stop

work order was in effect that cannot otherwise be reasonably utilized by the Contractor during the stop work period.
If the agreement is terminated for default, following a reasonable notice and cure period not to exceed thirty (30) days unless agreed to by both parties, the State may withhold payment of any amount in excess of fair compensation for the work actually completed by the Contractor prior to termination of this Agreement and will be entitled to pursue all of its other available legal remedies against the Contractor. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Agreement by the Contractor.

The Contractor's liability to the State for any damages arising out of or related to this Agreement, regardless of the form of action that imposes liability, whether in contract, equity, negligence, intended conduct, tort or otherwise, will be limited to and will not exceed, in the aggregate for all claims, actions and causes of action of every kind and nature, the total fees paid by the State to the Contractor under this Agreement. The exception to this limitation of liability is with regard to any direct damages incurred by the State due to the intentional tortious actions of the Contractor in the performance or nonperformance of its obligations under this Agreement. Also, there should be no limitation of the Contractor's liability for disclosure of confidential information or intellectual property infringement. Neither party shall be liable for any amounts for loss of income, profit or savings or incidental, consequential, indirect, exemplary, punitive, or special damages of any party, including third parties arising out of or related to this Agreement; provided, however, that the foregoing shall not be deemed to limit in any way the provisions of **ADDENDUM XIII - LIQUIDATED DAMAGES** of this Agreement.

The imposition of liquidated damages shall not limit the State's rights to pursue any other non-monetary remedies available to it.

The State may, by written notice of default to the Contractor, provide that the Contractor may cure a failure or breach of this contract within a period of thirty (30) days (or such longer period as the State's agreement administrator or project manager may authorize in writing), said period to commence upon receipt of the notice of default specifying such failure or breach. The State's exercise of this provision allowing the Contractor time to cure a failure or breach of this Agreement does not constitute a waiver of the State's right to terminate this Agreement, without providing a cure period, for any other failure or breach of this Agreement.
In the event the Contractor has failed to perform any substantial obligation under this Agreement, or has otherwise committed a breach of this Agreement, the State may withhold all monies due and payable to the Contractor directly related to the breach, without penalty, until such failure is cured or otherwise adjudicated.

Assurances before breach

a) If documentation or any other deliverables due under this contract are not in accordance with the contract requirements as reasonably determined by the project manager, upon the State's request, the Contractor, to the extent commercially reasonable, will deliver additional the Contractor resources to the project in order to complete the deliverable as required by the agreement as reasonably determined by the State and to demonstrate that other project schedules will not be affected. Upon

written notice by the State's project manager of the State's concerns regarding the quality or timeliness of an upcoming deliverable, the Contractor shall, within five (5) business days of receipt of said notice, submit a corrective action plan documenting the Contractor's approach to completing the deliverable to the satisfaction of the State's project officer without affecting other project schedules. The State's project manager, within five (5) business days of receipt of the corrective action plan, shall approve the plan, reject the plan, or return the plan to the Contractor with specific instructions as to how the plan can be modified to merit approval and a specific time period in which the revised plan must be resubmitted.

Nothing in the language contained in "limitation of liability" article, "Contractor's liability for injury to person's or damage to property" article and "indemnification" article shall be construed to waive or limit the state or federal sovereign immunity or any other immunity from suit provided by law including, but not limited to Rhode Island General Laws, Title 9 Chapter 31, "Governmental Tort Liability."

State's options at termination

In the event the State terminates this contract pursuant to this paragraph, the State may at its option:

a) Retain all or a portion of such hardware, equipment, software, and documentation as has been provided, obtaining clear title or rights to the same, and procure upon such terms and in such manner as the State's project manager may deem appropriate, hardware, equipment, software, documentation, or services as are necessary to complete the project; or

b) Notwithstanding the above, except as otherwise agreed, nothing herein shall limit the right of the State to pursue any other legal remedies against the Contractor. In order to take into account any changes in funding levels because of executive or legislative actions or because of any fiscal limitations not presently anticipated, the State may reduce or eliminate the amount of the contract as a whole with the scope of services being reduced accordingly, or subject to agreement by the parties concerning the scope and pricing, reduce or eliminate any line item(s).

Notwithstanding the terms, conditions and/or requirements set out in Paragraphs 7 and 8, the Contractor shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the Agreement by the Contractor, and the State may withhold payment to the Contractor for the purpose of setoff until such time as the exact amount of damages due the State from the Contractor is determined.

PAR. 10. MODIFICATION OF AGREEMENT

The State may permit changes in the scope of services, time of performance, or approved budget of the Contractor to be performed hereunder. Such changes, which are mutually agreed upon by the State and the Contractor, must be in writing and shall be made a part of this agreement by numerically consecutive amendment excluding "Special Projects", if applicable, and are incorporated by reference into this Agreement. No changes are effective unless reflected in an approved change order issued by the State's Division of Purchases.

Special Projects are defined as additional services available to the State on a time and materials basis with the amounts not to exceed the amounts referenced on the

Contractor's RFP cost proposal or as negotiated by project or activity. The change order will specify the scope of the change and the expected completion date. Any change order shall be subject to the same terms and conditions of this Agreement unless otherwise specified in the change order and agreed upon by the parties. The parties will negotiate in good faith and in a timely manner all aspects of the proposed change order.

PAR. 11. SUBCONTRACTS

It is expressly agreed that the Contractor shall not enter into any subcontract(s) nor delegate any responsibilities to perform the services listed in this Agreement without the advanced, written approval of the State. If in **ADDENDUM XVI – BID PROPOSAL,** the Bid Proposal permits Subcontracting, the Contractor must provide the name and the extent of services provided by the Subcontractor in the **BUDGET** paragraph 6**,** and more fully explained in **ADDENDUM II** of this Agreement, and as further agreed to by the State and the Contractor in **ADDENDUM IX – SUBCONTRACTOR COMPLIANCE,** which is incorporated by reference herein, and which outlines the expectations and requirements of subcontracted vendors to this Agreement.

If the Contractor subsequently needs to enlist the services of a Subcontractor, the Contractor shall obtain prior written approval of the State. Approval of the State for the Contractor to enter into subcontracts to perform the services or obligations of the Contractor pursuant to this Agreement shall not be unreasonably withheld. Nothing in this Agreement or in a subcontract or sub-agreement between the Contractor and subcontractors shall create any contractual relationship between the subcontractor and the State. Approval by the State of the Contractor's request to subcontract shall not relieve the Contractor of its responsibilities under this contract and the Contractor shall therefore remain responsible and liable to the State for any conduct, negligence, acts and omissions, whether intentional or unintentional, by any subcontractor

The positions named by the Contractor and detailed in **ADDENDUM XVII – CORE STAFF POSITIONS**, which is incorporated by reference herein, will be considered core project staff positions for this project. The Contractor will not alter the core project team or use an independent contractor, company or subcontractor to meet required deliverables without the prior written consent of the State's project officer or other appointed designee(s) for which consent shall not be unreasonably withheld.
Failure to comply with the provisions of this Paragraph could result in denial of reimbursement for such non-approved sub-contracts.

PAR. 12. CONTRACTOR'S LIABILITY/INDEMNIFICATION

The Contractor shall indemnify and hold the State of Rhode Island, its departments, agencies, branches and its or their officers, directors, agents or employees (together the "Indemnitees" and their subcontractors) harmless against claims, demands, suits for judgments, losses or reasonable expenses or costs of any nature whatsoever (including actual reasonable attorney's fees) to the extent arising in whole or part from the Contractor's willful misconduct, negligence, or omission in provision of services or breach of this Agreement including, but not limited to, injuries of any kind which the staff of the Contractor or its subcontractor may suffer directly or may cause to be

suffered by any staff person or persons in the performance of this Agreement, unless caused by the willful misconduct or gross negligence of the Indemnitees.

The Contractor shall indemnify and hold the State of Rhode Island, its departments, agencies, branches and its or their officers, directors, agents or employees (together the "Indemnitees" and their subcontractors") harmless against claims, demands, suits for judgments, losses or reasonable expenses or costs of any nature whatsoever (including actual reasonable attorney's fees) to the extent arising in whole or part for infringement by the Contractor of any intellectual property right by any product or service provided hereunder.

Nothing in this agreement shall limit the Contractor's liability to indemnify the State for infringements by the Contractor of any intellectual property right.

Nothing in the language contained in this Agreement shall be construed to waive or limit the State or federal sovereign immunity or any other immunity from suit provided by law including, but not limited to Rhode Island General Law, Title 9, Chapter 31 et al., entitled "Governmental Tort Liability."

PAR. 13. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES

By signing this Agreement, the Contractor agrees to comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.); Section 504 of the Rehabilitation Act of 1973, as amended (29 USC 794); Americans with Disabilities Act of 1990 (42 USC 12101 et. seq.); Title IX of the Education Amendments of 1972 (20 USC 1681 et. seq.); The Food Stamp Act, and the Age Discrimination Act of 1975, The United States Department of Health and Human Services Regulations found in 45 CFR, Parts 80 and 84; the United States Department of Education Implementing regulations (34 CFR, Parts 104 and 106; and the United States Department of Agriculture, Food and Nutrition Services (7 CFR 272.6), which prohibit discrimination on the basis of race, color, national origin (limited English proficiency persons), age, sex, disability, religion, political beliefs, in acceptance for or provision of services, employment, or treatment in educational or other programs or activities, or as any of the Acts are amended from time to time.

Pursuant to Title VI and Section 504, as listed above and as referenced in **ADDENDA V AND VI**, which are incorporated herein by reference and made part of this Agreement, the Contractor shall have policies and procedures in effect, including, mandatory written compliance plans, which are designed to assure compliance with Title VI section 504, as referenced above. An electronic copy of the Contractor's written compliance plan, all relevant policies, procedures, workflows, relevant chart of responsible personnel, and/or self-assessments must be available to the State upon request.

The Contractor's written compliance plans and/or self-assessments, referenced above and detailed in **ADDENDA V AND VI** of this Agreement must include but are not limited to the requirements detailed in **ADDENDA V AND VI** of this Agreement.

The Contractor must submit, within thirty-five (35) days of the date of a request by the

State, full and complete information on Title VI and/or Section 504 compliance and/or self-assessments, as referenced above, by the Contractor and/or any subcontractor or vendor of the Contractor.

The Contractor acknowledges receipt of **ADDENDUM V - NOTICE TO STATE OF HEALTH AND HUMAN SERVICES SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964** and **ADDENDUM VI - NOTICE TO STATE OF HEALTH AND HUMAN SERVICES SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER SECTION 504 OF THE REHABILITATION ACT OF 1973**, which are incorporated herein by reference and made part of this Agreement.

The Contractor further agrees to comply with all other provisions applicable to law, including the Americans with Disabilities Act of 1990; the Governor's Executive Order No. 05-01, Promotion of Equal Opportunity and the Prevention of Sexual Harassment in State Government.

The Contractor also agrees to comply with the requirements of the State of Health and Human Services for safeguarding of client information as such requirements are made known to the Contractor at the time of this contract. Changes to any of the requirements contained herein shall constitute a change and be handled in accordance with **PAR. 10. - MODIFICATION OF AGREEMENT** above.

Failure to comply with this Paragraph may be the basis for cancellation of this Agreement.

PAR. 14. ASSIGNABILITY

The Contractor shall not assign any interest in this Agreement (whether by assignment or novation) without the prior written consent of the State's Division of Purchases, thereto; provided, however, that claims or money due or to become due to the Contractor from the State under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the State.

PAR. 15. COPYRIGHTS

Any and all data, technical information, information systems, materials gathered, originated, developed, prepared, modified, used or obtained by the Contractor in performance of the Agreement used to create and/or maintain work performed by the Contractor, including but not limited to, all hardware, software computer programs, data files, application programs, intellectual property, source code, documentation and manuals, regardless of state of completion shall be deemed to be owned and remain owned by the State ("State Property"), and the State has the right to (1) reproduce, publish, disclose or otherwise use and to authorize others to use the State Property for State or federal government purposes, and (2) receive delivery of such State Property upon 30 days notice by the State throughout the term of the contract and including 120 days thereafter. To be clear with respect to State Property, the work shall be considered "work for hire," i.e., the State, not the selected Contractor or any subcontractor, shall

have full and complete ownership of all State Property. The selected Contractor and any subcontractor hereby convey, assign and transfer to State any and all of its or their right, title and interest in State Property, if any, including but not limited to trademarks and copyrights. The State hereby grants to the federal government, and the federal government reserves, a royalty-free, nonexclusive and irrevocable license to reproduce, publish, disclose or otherwise use and to authorize others to use for federal government purposes such software, modifications and documentation designed, developed or installed with federal financial participation.

The Contractor agrees that no findings, listing, or information derived from information obtained through performance, as described in the Scope of Work in Addendum I with or without identifiers, may be released or publicly disclosed in any form for any purpose if such findings, listing, or information contain any combination of data elements that might allow an individual to determine a beneficiary's identification without first obtaining written authorization from the State's project officer. Examples of such data elements include, but are not limited to geographic indicators, age, sex, diagnosis, procedure, date of birth, or admission/discharge date(s). The Contractor agrees further that the State shall be the sole judge as to whether any finding, listing, information, or any combination of data extracted or derived from the State's files identify or would, with reasonable effort, permit one to identify an individual, or to deduce the identifying of an individual to a reasonable degree of certainty. The Contractor agrees that the conditions set forth herein apply to any materials presented or submitted review and/or publication that contain individual identifying elements in the information obtained, as stated above, unless such information is presented in the aggregate. Under no circumstance, shall the Contractor publicly disclose or present or submit any materials for review and/or publication that contains an individual's social security number, in part or in whole. The Contractor is hereby notified that all initial data received from the State is considered confidential by the State. For further requirements regarding confidentiality of information please refer to Paragraph 26 of this Agreement.

With respect to claims arising from computer hardware or software manufactured by a third party and sold by the Contractor as a reseller, the Contractor will pass through to the State such indemnity rights as it receives from such third party ("third party obligation") and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the third party obligation, the Contractor will provide the State with indemnity protection equal to that called for by the third party obligation, but in no event greater than that called for in the first sentence of this Paragraph the provisions of the preceding sentence apply only to third party computer hardware or software sold as a distinct unit and accepted by the State. Unless a third party obligation provides otherwise, the defense and payment obligations set forth in this Paragraph will be conditional upon the following:

1. The State will notify the Contractor of any such claim in writing and tender the defense thereof within a reasonable time;
2. The Contractor will have sole control of the defense of any action on all third party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement or violation of any U.S. Intellectual Property Rights by any product or service provided hereunder; and all negotiations for its settlement or compromise;

provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future state operations or liability, or when involvement of the state is otherwise mandated by law, the state may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the state will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and
3. The State will reasonably cooperate in the defense and in any related settlement negotiations.

Should the deliverables or software, or the operation thereof, become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a U.S. Intellectual Property Rights, the State shall permit the Contractor at its option and expense either to procure for the State the right to continue using the deliverables or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such deliverables or software by the State shall be prevented by injunction, the Contractor agrees to take back such deliverables or software and make every reasonable effort to assist the State in procuring substitute deliverables or software. If, in the sole opinion of the State, the return of such infringing deliverables or software makes the retention of other deliverables or software acquired from the Contractor under this Agreement impractical, the State shall then have the option of terminating such agreements, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such deliverables or software and refund any sums the State has paid the Contractor less any reasonable amount for use or damage.

The Contractor shall have no liability to the State under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement that is based upon:

- The combination or utilization of deliverables furnished hereunder with equipment or devices not made or furnished by the Contractor; or,
- The operation of equipment furnished by the Contractor under the control of any operating software other than, or in addition to, the current version of the Contractor-supplied operating software; or
- The modification by the State of the equipment furnished hereunder or of the software; or
- The combination or utilization of software furnished hereunder with non-Contractor supplied software.

The Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

The Contractor agrees that no findings, listing, or information derived from information obtained through performance, as described in **ADDENDUM I - SCOPE OF WORK,** with or without identifiers, may be released or publicly disclosed in any form for any purpose if such findings, listing, or information contain any combination of data elements that might allow an individual to determine a beneficiary's identification

without first obtaining written authorization from the State's project officer. Examples of such data elements include, but are not limited to geographic indicators, age, sex, diagnosis, procedure, date of birth, or admission/discharge date(s). The Contractor agrees further that the State shall be the sole judge as to whether any finding, listing, information, or any combination of data extracted or derived from the State's files identify or would, with reasonable effort, permit one to identify an individual, or to deduce the identifying of an individual to a reasonable degree of certainty. The Contractor agrees that the conditions set forth herein apply to any materials presented or submitted review and/or publication that contain individual identifying elements in the information obtained, as stated above, unless such information is presented in the aggregate. Under no circumstance, shall the Contractor publicly disclose or present or submit any materials for review and/or publication that contains an individual's social security number, in part or in whole. The Contractor is hereby notified that all initial data received from the State is considered confidential by the State.

PAR. 16. PARTNERSHIP

It is understood and agreed that nothing herein is intended or should be construed in any manner as creating or establishing the legal relation of partnership between the parties hereto, or as constituting the employees, agents, or representatives of the Contractor included in this Agreement as employees, agents, or representatives of the State.

PAR. 17. INTEREST OF CONTRACTOR

The Contractor covenants that it presently has no pecuniary interest and shall not acquire any such interest, direct or indirect, without first disclosing to the State in writing and then subsequently obtaining approval, in writing, from the State, that would conflict in any manner or degree with the performance of services required under this Agreement. The Contractor further covenants that no person having any such interest shall be employed by the Contractor for the performance of any work associated with this Agreement.

PAR. 18. FEDERAL FUNDING PROVISIONS

Funds made available to the Contractor under this Agreement are or may be derived from federal funds made available to the State. The Provisions of Paragraph 5 and Addendum II notwithstanding, the Contractor agrees to make claims for payment under this Agreement in accordance with applicable federal policies. The Contractor agrees that no payments under this Agreement will be claimed for reimbursement under any other Agreement, grant or contract that the Contractor may hold that provides funding from the same State or Federal sources. The Contractor further agrees to be liable for audit exceptions that may arise from examination of claims for payment under this Agreement. The Contractor specifically agrees to abide by all applicable federal requirements for Contractors. Additionally, the Federal Award must be used in accordance with the specific Catalog of Federal Domestic Assistance (CFDA) number listed in **ADDENDUM IV – FISCAL ASSURANCES.** https://www.cfda.gov/

States are required to collect information from contractors for awards greater than $25,000 as described in **ADDENDUM XVIII – FEDERAL SUBAWARD**

REPORTING (hereafter referred to as the FFATA form). The Contractor and its subcontractors, if subcontractors are permitted within the scope of this Agreement, will provide new FFATA forms for each contract year. When applicable in multiyear contracts, the Contractor is required to review and update the FFATA form, this must be provided to the State 30 days prior to the end of the first contract year. For example, if the contract performance period is July 1, 2015 to June 30, 2018; then the FFATA form for the second contract year is due June 1, 2016. Any sub-contractor paid with Federal Funding will provide the FFATA form for each contract year to the Contractor, the Contractor must then provide all sub-contractor FFATA forms to the State. Sub-contractor forms must be provided within fifteen (15) days of date of signature of this Agreement, and if applicable, within fifteen (15) days of the end of each contract year for all subsequent contract years.

PAR. 19. FUNDING DENIED

It is understood and agreed that in the event that less than full federal funding or other funding is received by the State due directly to the failure of the Contractor to comply with the terms of this Agreement, the Contractor is liable to the State of Rhode Island for an amount equal to the amount of the denied funding. Should the Contractor be liable for the amount of the denied funding, then such amount shall be payable upon demand of the State.

The Contractor agrees that no expenditures claimed for reimbursement under this Agreement will be claimed for reimbursement under any other agreement, grant, or contract that the Contractor may hold which provides funding from state or federal sources. The Contractor further agrees to be liable for audit exceptions that may arise from examination of expenditures: (a) claimed by the Contractor for reimbursement under this Agreement, and/or (b) submitted by the Contractor in meeting any cost participation requirements.

PAR. 20. ACCESSIBILITY AND RETENTION OF RECORDS

The Contractor agrees to make accessible and to maintain all fiscal and activity records relating to this Agreement to state and/or federal officials, or their designated representatives, necessary to verify the accuracy of Contractor invoices or compliance with this Agreement. This accessibility requirement shall include the right to review and copy such records. This requirement is also intended to include but is not limited to any auditing, monitoring, and evaluation procedures, including on-site visits, performed individually or jointly, by state or federal officials or their agents necessary to verify the accuracy of Contractor invoices or compliance with the this Agreement (in accordance with 2 CFR § 200.331). If such records are maintained out of the State of Rhode Island, such records shall be made accessible by the Contractor at a Rhode Island location. Minutes of board of directors meetings, fiscal records, and narrative records pertaining to activities performed will be retained for audit purposes for a period of at least three (3) years following the submission of the final expenditure report for this Agreement. Additionally, if any litigation, claim, or audit is started before the expiration of the 3 year period, as mentioned in Paragraph 2 of this Agreement, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken in accordance with 2 CFR § 200.333. If audit findings have not been resolved at the end of the three (3) years, the records shall be retained for an

additional three (3) years after the resolution of the audit findings are made or as otherwise required by law.

The Contractor and its subcontractors, if subcontractors are permitted within the scope of this Agreement, will provide and maintain a quality assurance system acceptable to the state covering deliverables and services under this Agreement and will tender to the state only those deliverables that have been inspected and found to conform to this Agreement's requirements. The Contractor will keep records evidencing inspections and their result, and will make these records available to the state during Agreement performance and for three (3) years after final payment. The Contractor shall permit the state to review procedures, practices, processes, and related documents to determine the acceptability of Contractor's quality assurance system or other similar business practices related to performance of the Agreement.

Further, the Contractor agrees to include a similar right of the state to audit records and interview staff in any subcontract related to performance of this Agreement.

The parties agree that in regards to fixed price portions of the contract, the state's access to the Contractor's books, records and documents shall be limited to those necessary to verify the accuracy of the Contractor's invoice. In no event will the state have access to the Contractors internal cost data as they relate to fixed price portion of the contract.

PAR. 21. CAPITAL ASSETS

The Contractor agrees that any capital assets purchased on behalf of the State on a pass-through basis and used on behalf of the State by the Contractor shall upon payment by the State, become the property of the State unless otherwise agreed to by the parties and may be utilized by the Contractor in a reasonable manner. Capital assets are defined as any item having a life expectancy of greater than one (1) year and an initial cost of greater than five thousand dollars ($5,000) per unit, except greater than five hundred dollars ($500) per unit for computer equipment.

Upon written request by the State, the Contractor agrees to execute and deliver to the State a security interest in such capital assets in the amount of the value of such capital asset (or for a lesser amount as determined by the State).

PAR. 22. COMPETITIVE BIDS

With the exception of services or products obtained for use in a leveraged environment, the Contractor agrees competitive bidding will be utilized for all purchases in direct and exclusive support of the State which are made under this Agreement in excess of five hundred dollars ($500) or an aggregate of one thousand dollars ($1,000) for any like items during the time of performance of this Agreement. Evidence of competitive bids must be retained in accordance with **PAR. 20. - ACCESSIBILITY AND RETENTION OF RECORDS**.

PAR. 23. SECURITY AND CONFIDENTIALITY

The Contractor shall take security measures to protect against the improper use, loss, access of and disclosure of any confidential information it may receive or have access to under this Agreement as required by this Agreement, the RFP and proposal, or which becomes available to the Contractor in carrying out this Agreement and the RFP and the proposal, and agrees to comply with the requirements of the State for safeguarding of client and such aforementioned information. Confidential information includes, but is not limited to: names, dates of birth, home and/or business addresses, social security numbers, protected health information, financial and/or salary information, employment information, statistical, personal, technical and other data and information relating to the State of Rhode Island data, and other such data protected by Department/State laws, regulations and policies ("confidential information"), as well as State and Federal laws and regulations. All such information shall be protected by the Contractor from unauthorized use and disclosure and shall be protected through the observance of the same or more effective procedural requirements as are applicable to the State.

The Contractor expressly agrees and acknowledges that said confidential information provided to and/or transferred to provider by the State or to which the Contractor has access to for the performance of this Agreement is the sole property of the State and shall not be disclosed and/or used or misused and/or provided and/or accessed by any other individual(s), entity(ies) and/or party(ies) without the express written consent of the State. Further, the Contractor expressly agrees to forthwith return to the State any and all said data and/or information and/or confidential information and/or database upon the State's written request and/or cancellation and/or termination of this Agreement.

The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information, which is or becomes legitimately publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Agreement, or is rightfully obtained from third parties under no obligation of confidentiality.

The Contractor agrees to abide by all applicable, current and as amended Federal and State laws and regulations governing the confidentiality of information, including to but not limited to the Business Associate requirements of HIPAA (WWW.HHS.GOV/OCR/HIPAA), to which it may have access pursuant to the terms of this Agreement. In addition, the Contractor agrees to comply with the State confidentiality policy recognizing a person's basic right to privacy and confidentiality of personal information. ("confidential records" are the records as defined in section 38-2-3-(d) (1)-(1-19) of the Rhode Island General Laws, entitled "access to public records" and described in "access to Department of Health records.")

In accordance with this Agreement and all Addenda thereto, the Contractor will additionally receive, have access to, or be exposed to certain documents, records, that are confidential, privileged or otherwise protected from disclosure, including, but not limited to: personal information; Personally Identifiable Information (PII), Sensitive Information (SI), and other information (including electronically stored information), records sufficient to identify an applicant for or recipient of government benefits; preliminary draft, notes, impressions, memoranda, working papers-and work product of

state employees; as well as any other records, reports, opinions, information, and statements required to be kept confidential by state or federal law or regulation, or rule of court ("State Confidential Information"). State Confidential Information also includes PII and SI as it pertains to any public assistance recipients as well as retailers within the SNAP Program and Providers within any of the State Public Assistance programs.

Personally Identifiable Information (PII) is defined as any information about an individual maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and information which can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual, such as their name, social security number, date and place of birth, mother's maiden name, biometric records, etc. (As defined in 2 CFR § 200.79 and as defined in OMB Memorandum M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments"). PII shall also include individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts (As defined in 2 CFR § 200.82 Protected Personally Identifiable Information).

Sensitive Information (SI) is information that is considered sensitive if the loss of confidentiality, integrity, or availability could be expected to have a serious, severe or catastrophic adverse effect on organizational operations, organizational assets, or individuals. Further, the loss of sensitive information confidentiality, integrity, or availability might: (i) cause a significant or severe degradation in mission capability to an extent and duration that the organization is unable to perform its primary functions; (ii) result in significant or major damage to organizational assets; (iii) result in significant or major financial loss; or (iv) result in significant, severe or catastrophic harm to individuals that may involve loss of life or serious life threatening injuries. (Defined in HHS Memorandum ISP-2007-005, "Departmental Standard for the Definition of Sensitive Information" as amended).

The Contractor agrees to adhere to any and all applicable State and Federal statutes and regulations relating to confidential health care and substance abuse treatment including but not limited to the Federal Regulation 42 CFR, Part 2; Rhode Island Mental Health Law, R.I. General Laws Chapter 40.1-5-26; Confidentiality of Health Care Communications and Information Act, R.I. General Laws Chapter 5-37.3-1 et seq, and HIPAA 45 CFR 160. The Contractor acknowledges that failure to comply with the provisions of this paragraph will result in the termination of this Agreement.

The Contractor shall notify the Covered Entity within one (1) hour by telephone call plus e-mail, web form or fax upon the discovery of any breach of security of PHI, PII or SI or suspected breach of security of PHI, PII or SI (where the use or disclosure is not provided for and permitted by this Agreement) of which it becomes aware. The Contractor shall, within forty-eight (48) hours, notify the State's designated security officer of any suspected breach of unauthorized electronic access, disclosure or breach

of confidential information or any successful breach of unauthorized electronic access, disclosure or breach of confidential information. A breach is defined pursuant to HIPAA guidelines as well as those found in the "Health Information Technology for Economic and Clinical Health Act" (HITECH). A breach or suspected breach may be an acquisition, access, use or disclosure or suspected acquisition, access, use or disclosure of PHI in violation of HIPAA privacy rules that compromise PHI security or privacy. Additionally, a breach or suspected breach may be an acquisition, access, use or disclosure or suspected acquisition, access, use or disclosure of PII or SI. The notice of a breach or suspected breach shall contain information available to the Contractor at the time of the notification to aid the State in examining the matter. More complete and detailed information shall be provided to the State as it becomes available to the Contractor.

Upon notice of a suspected security incident, the State and Contractor will meet to jointly develop an incident investigation and remediation plan. Depending on the nature and severity of the confirmed breach, the plan may include the use of an independent third-party security firm to perform an objective security audit in accordance with recognized cyber security industry commercially reasonable practices. The parties will consider the scope, severity and impact of the security incident to determine the scope and duration of the third party audit. If the parties cannot agree on either the need for or the scope of such audit, then the matter shall be escalated to senior officials of each organization for resolution. The Contractor will pay the costs of all such audits. Depending on the nature and scope of the security incident, remedies may include, among other things, information to individuals on obtaining credit reports and notification to applicable credit card companies, notification to the local office of the Secret Service, and or affected users and other applicable parties, utilization of a call center and the offering of credit monitoring services on a selected basis.

Notwithstanding any other requirement set out in this Agreement, the Contractor acknowledges and agrees that the HITECH Act and its implementing regulations impose new requirements with respect to privacy, security and breach notification and contemplates that such requirements shall be implemented by regulations to be adopted by the U.S. Department of Health and Human Services. The HITECH requirements, regulations and provisions are hereby incorporated by reference into this Agreement as if set forth in this Agreement in their entirety. Notwithstanding anything to the contrary or any provision that may be more restrictive within this Agreement, all requirements and provisions of HITECH, and its implementing regulations currently in effect and promulgated and/or implemented after the date of this Agreement, are automatically effective and incorporated herein. Where this Agreement requires stricter guidelines, the stricter guidelines must be adhered to.

Failure to abide by the State's confidentiality policy or the required signed **Business Associate Agreement (BAA)** will result in termination remedies, including but not limited to, termination of this Agreement. A **Business Associate Agreement (BAA)** shall be signed by the Contractor, simultaneously or as soon thereafter as possible, from the signing of this Agreement, as required by the State.

Nothing herein shall limit the State's ability to seek injunctive relief or any and all damages resulting from the Contractor's negligent or intentional disclosure of confidential information.

PAR. 24. AUDIT

In the case wherein the amount identified in **PAR. 6. - BUDGET** is at least twenty-five thousand dollars ($25,000) in any year, at no additional cost for the State, the Contractor shall prepare an annual financial statement of the Contractor or the Contractor's parent, where applicable, within nine (9) months of the end of the Contractor's fiscal year. The financial statements must provide full and frank disclosures of all assets, liabilities, changes in the fund balances, all revenue, and all expenditures. Upon written or oral request by the State, the Contractor shall provide the State a copy of the above described financial statement(s) within ten (10) days of the State's request or within twenty (20) days of the end of the Time of Performance, Paragraph 3 herein. If additional financial documentation is required by the Federal funding source, these additional financial requirements must be met in addition to the preparation of the above financial statements.

In the case wherein the amount identified in **PAR. 6. - BUDGET** is at least seven hundred and fifty thousand federal dollars ($750,000) in any fiscal year, at no additional cost for the State, the audit must be performed in accordance with 2 CFR § 200.500 et. seq., or with "Government Auditing Standards" as published by the Comptroller General of the United States. The audit must address areas of compliance and internal controls as outlined in 2 CFR § 200.500 et. seq. If a management letter is also issued as part of the audit, the management letter must be submitted as well (2 CFR § 200.512). All financial statements and audits must be submitted in a format that is acceptable to the State.

In the case wherein the Contractor expends $750,000 or more during the non–Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR § 200.501, et seq. at no additional cost for the State, the audit must be performed in accordance with 2 CFR § 200.500 et. seq., or with "Government Auditing Standards" as published by the Comptroller General of the United States. The audit must address areas of compliance and internal controls as outlined in 2 CFR § 200.500 et. seq. If a management letter is also issued as part of the audit, the management letter must be submitted as well (2 CFR § 200.512). All financial statements and audits must be submitted in a format that is acceptable to the State.

Moreover, if the Contractor has Agreements and/or Federal Awards which **in aggregate** are at least seven hundred and fifty thousand federal dollars ($750,000) in any fiscal year, including the amount identified in **PAR. 6 – BUDGET**, the audit must be performed in accordance with federal requirements as outlined above (2 CFR 200.500 et seq.).

Should the Contractor expend less than seven hundred and fifty thousand federal dollars ($750,000) in a fiscal year and be, therefore, exempt from having to perform an audit in

accordance with 2 CFR § 200.500 et. seq., the Contractor may not charge the cost of such an audit to a federal award.

Pursuant to 2 CFR § 200.501 (h), "for-profit" entities shall conduct a "Yellow Book" audit annually by a Public Accounting Firm in accordance with Government Auditing Standards, mentioned above, and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the U.S. (GAGAS) and provide a copy thereof to Client, the Contractor may not charge the cost of such an audit to a federal award.

The Contractor agrees that the state or its designated representative will be given access to any part of the system which is delivered under this Agreement to inventory and/or inspect the system.

The Contractor expressly agrees that any overpayment identified through an audit must be repaid to the State within a period of six (6) months from the issuance of the audit.

PAR. 25. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

PAR. 26. ON-SITE INSPECTION

The Contractor agrees to permit on-site monitoring, evaluation and inspection of all activities related to the Agreement by officials of the State, its designee, and where appropriate, the Federal government. On-site inspections and monitoring shall be in accordance with 2 CFR § 200.328. All reports pertaining to 2 CFR § 200.331, shall be maintained by the Contractor. The Contractor must retain any documents pertaining to changes requested from the State or the Federal Government in accordance with 2 CFR § 200.333.

If, as a result of on-site inspections, changes are requested by the State to ensure compliance with this Agreement and/or Federal Awards, the Contractor must perform changes within a time period defined by the State. All changes shall be documented by the Contractor and provided to the State upon request. All requested changes shall comply with 2 CFR § 200.331.

PAR. 27. DRUG-FREE WORKPLACE POLICY

The Contractor agrees to comply with the provisions of the Governor's Executive Order 91-14, the State's Drug Free Workplace Policy, and the Federal Omnibus Drug Abuse Act of 1988. As a condition of contracting with the State of Rhode Island, the Contractor hereby agrees to abide by **ADDENDUM VII - DRUG-FREE WORKPLACE POLICY**, and in accordance therewith has executed **ADDENDUM VIII - DRUG-FREE WORKPLACE POLICY CONTRACTOR CERTIFICATE OF COMPLIANCE.**
Furthermore, the Contractor agrees to submit to the State any report or forms which may from time-to-time be required to determine the Contractor's compliance with this policy.

The Contractor acknowledges that a violation of the Drug-Free Workplace Policy may, at the State's option, result in termination of this Agreement.

PAR. 28. PRO-CHILDREN ACT OF 1994 (ACT)

As a condition of contracting with the State of Rhode Island, the Contractor hereby agrees to abide by **ADDENDUM X - CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**, and in accordance has executed **ADDENDUM X - CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE.**

PAR. 29. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

The Contractor agrees to abide by **ADDENDUM XI – INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS**, and in accordance has executed the required certification included in **ADDENDUM XII – CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS.**

PAR. 30. CHIEF PURCHASING OFFICER

This Agreement shall take effect upon the issuance of a Purchase Order by the State of Rhode Island's Chief Purchasing Officer or his/her designee. No modifications to this agreement shall be effective unless in an authorized change order issued by the State's Division of Purchases.

PAR. 31. OWNERSHIP

The following additional paragraphs are added to the Rhode Island Department of Administration, Division of Purchases, Purchasing Rules, Regulations, and General Conditions of Purchasing.

PROPRIETARY SOFTWARE. Each party will retain all rights in any software, ideas, concepts, know-how, development tools, techniques or any other proprietary material or information that it owned or developed prior to the date of this Agreement, or acquired or developed after the date of this Agreement without reference to or use of the intellectual property of the other party. All software that is licensed by a party from a third party vendor will be and remain the property of such vendor.

DEVELOPED SOFTWARE. All software that is developed by the Contractor and delivered by the Contractor to the State under this Agreement, and paid for by the State ("Developed Software") is and shall remain the property of the State. For a period of ninety (90) days following acceptance of any developed software in accordance with the approval procedures adopted by the parties, the Contractor warrants that each item of developed software will conform in all material respects to the written technical specifications agreed to by the parties in accordance with the software development methodologies adopted by the parties and set forth in the procedures manual. As soon as reasonably practicable after discovery by State or Contractor of a failure of the

Developed Software to so conform (a "**non-conformance**"), State or Contractor, as applicable, will deliver to the other a statement and supporting documentation describing in reasonable detail the alleged nonconformance. If Contractor confirms that there is a non-conformance, then Contractor will use commercially reasonable efforts to correct such non-conformance. The methods and techniques for correcting non-conformances will be at the sole discretion of the State. The foregoing warranty will not extend to any non-conformances caused (i) by any change or modification to software without Contractor's prior written consent; or (ii) by state operating software otherwise than in accordance with the applicable documentation, for the purpose for which it was designed, or on hardware not recommended, supplied or approved in writing by Contractor. Furthermore, if, after undertaking commercially reasonable efforts to remedy a breach by Contractor of the foregoing warranty, Contractor, in the exercise of its reasonable business judgment, determines that any repair, adjustment, modification or replacement is not feasible, or in the event that the developed software subsequent to all repairs, adjustments, modifications and replacements continues to fail to meet the foregoing warranty, the State will return the developed software to Contractor, and Contractor will credit to the State, in a manner and on a schedule agreed to by the parties and as the State's sole and exclusive remedy for such failure, an amount equal to the charges actually paid by the State to the Contractor for the developed software that has failed to meet the foregoing warranty. Upon written request of the State, the Contractor will use commercially reasonable efforts to correct an alleged non-conformance for which Contractor is not otherwise responsible hereunder because it is caused or contributed to by one of the factors listed above and, to the extent that such correction cannot be performed within the scope of the Contractor services, such correction will be paid for by the State at the Contractor's then current commercial billing rates for the technical and programming personnel and other materials utilized by the Contractor. Notwithstanding anything to the contrary in this Agreement, the Contractor will continue to own, and will be free to use, the development tools and the residual technology, so long as such use does not breach Contractor's obligations of confidentiality set forth herein

<u>OTHER</u>. Notwithstanding anything to the contrary in this Agreement, the Contractor (i) will retain all right, title and interest in and to all know-how, intellectual property, methodologies, processes, technologies, algorithms, software or development tools used in performing the services hereunder which are based on trade secrets or proprietary information of the Contractor, are developed or created by or on behalf of the Contractor without reference to or use of the intellectual property of the State or are otherwise owned or licensed by the Contractor (collectively, "tools"); (ii) subject to the confidentiality obligations set forth in this Agreement, will be free to use the ideas, concepts, methodologies, processes and know-how which are developed or created in the course of performing the services and may be retained by the Contractor's employees in an intangible form, all of which constitute substantial rights on the part of the Contractor in the technology developed as a result of the services performed under this Agreement; and (iii) will retain ownership of any Contractor-owned software or tools that are used in producing the developed software and become embedded therein. No licenses will be deemed to have been granted by either party to any of its patents, trade secrets, trademarks or copyrights, except as otherwise expressly provided in this Agreement.

PAR. 32. FORCE MAJEURE

Except for defaults of subcontractors at any tier, in the event that any party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of (or if failure to perform the services is caused by) natural disaster, actions or decrees of governmental bodies, or other event or failure not the fault or within control of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other parties and shall use reasonable efforts to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended

PAR. 33. RESERVED

PAR. 34. DISPUTES

The parties shall use good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Agreement. When a dispute arises between the State and Contractor, both parties will attempt to resolve the dispute pursuant to this subsection. When a dispute arises, the party initiating the dispute shall notify the other party in writing of the dispute, with the notice specifying the disputed issues and the position of the party submitting the notice. The State's project officer and Contractor project officer shall use good faith efforts to resolve the dispute within ten (10) State business days of submission by either party to the other of such notice of the dispute.

If the State's Project Officer and the Contractor's Project Officer are unable to resolve the dispute, either party may request that the dispute be escalated for resolution to the Director of the applicable State Department or his or her designee, the Contractor's President or his or her designee and a mutually agreed upon third party shall attempt to resolve the issue.

If the issue is not resolved, the parties shall proceed pursuant to R.I. General Laws § 37-2-46 and applicable State Procurement Regulations (1.5).

If the issue is not resolved, the parties shall endeavor to resolve their claims by mediation which, shall be administered by the Presiding Justice of the Providence County Superior Court. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the court. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration is stayed pursuant to this paragraph, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the State of Rhode Island where the project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

PAR. 35. GOVERNING LAW

This Agreement is deemed executed and delivered in the City of Cranston, State of Rhode Island, and all questions arising out of or under this Agreement shall be governed by the laws of the State of Rhode Island.

PAR. 36. WAIVER AND ESTOPPEL

Nothing in this Agreement shall be considered waived by any party, unless the party claiming the waiver receives the waiver in writing. No breach of this Agreement is considered to be waived unless the non-breaching party waives it in writing. A waiver of one provision shall not constitute a waiver of any other. A failure of any party to enforce at any time any provisions(s) of this contract, or to exercise any option which is herein provided, shall in no way be construed as a waiver of such provision of this contract. No consent, or excuse by either party, express or implied, shall constitute a subsequent consent, waiver or excuse.

PAR. 37. INSURANCE

Throughout the term of the Agreement, the Contractor and any subcontractor shall procure and maintain, at its own cost and expense, insurance as required by the Bid Specifications.

PAR. 38. WORK REVIEWS

The Contractor agrees that all work performed under this Agreement may be reviewed by the Rhode Island State of Health and Human Services, HealthSource RI, the Department of Administration, and/or by any third party designated by the State of Health and Human Services.

PAR. 39. BUSINESS CONTINUITY PLAN

The Contractor shall prepare and maintain a Business Continuity Plan upon execution of this Agreement, which shall include, but not be limited to, the Contractor's procedure for recovery of data and recovery for all operation components in case of an emergency or disaster. Upon written or oral request by the State, the Contractor shall provide the State a copy of the above described Business Continuity Plan within ten (10) days of the State's request.

PAR. 40. NOTICES

No notice, approval or consent permitted or required to be given by this Agreement will be effective unless the same is in writing and sent postage prepaid, certified mail or registered mail, return receipt requested, or by reputable overnight delivery service to the other party at the address set forth in **ADDENDUM XVII – CORE STAFF POSITIONS**, or such other address as either party may direct by notice given to the other as provided **ADDENDUM XVII – CORE STAFF POSITIONS**, and shall be deemed to be given when received by the addressee. The Contractor and the State shall list, in **ADDENDUM XVII – CORE STAFF POSITIONS**, the names, addresses, telephone numbers, and the facsimile numbers of all individuals that the above such notice, approval or consent shall be sent to or copied on.

PAR. 41. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which will be an original, and such counterparts together will constitute one and the same instrument. Execution may be effected by delivery of facsimiles of signature pages and the parties will follow such delivery by prompt delivery of originals of such pages.

PAR. 42. AMENDMENTS

Except as may otherwise set forth in this Agreement, the Agreement may only be amended by the parties agreeing to the amendment, in writing, duly executed by the parties and shall only be effective upon incorporation by the State's Division of Purchases through the issuance of a change order.

PAR. 43. SURVIVAL

Any obligations and provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including but not limited to safeguarding confidential information and indemnification, shall survive the expiration or termination of this Agreement.

PAR. 44. ADDITIONAL APPROVALS

The parties acknowledge that this Agreement requires issuance of a valid Purchase Order by the State of Rhode Island for this Agreement to remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands as of the date first above written and this Agreement made legally binding upon the issuance of a valid Purchase Order by the State of Rhode Island as follows:

_____ _____

Authorized Agent
State Agency

Date

_____ _____

Authorized Agent
Vendor

Date

ADDENDA

Attached hereto, incorporated into and made a part herein of this agreement, are the following addenda:

ADDENDUM I -	**REQUEST FOR PROPOSAL AND/OR SCOPE OF WORK**
ADDENDUM II -	**BUDGET**
ADDENDUM III -	**PAYMENTS AND REPORTS SCHEDULE**
ADDENDUM IV -	**FISCAL ASSURANCES**
ADDENDUM V -	**NOTICE TO THE STATES'S SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**
ADDENDUM VI -	**NOTICE TO THE STATES'S SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER SECTION 504 OF THE REHABILITATION ACT OF 1973**
ADDENDUM VII -	**DRUG-FREE WORKPLACE POLICY**
ADDENDUM VIII -	**DRUG FREE WORKPLACE POLICY CONTRACTOR CERTIFICATE OF COMPLIANCE**
ADDENDUM IX -	**SUBCONTRACTOR COMPLIANCE**
ADDENDUM X -	**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**
ADDENDUM XI -	**INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS**
ADDENDUM XII -	**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS**
ADDENDUM XIII -	**LIQUIDATED DAMAGES**
ADDENDUM XIV -	**EQUAL EMPLOYMENT OPPORTUNITY**
ADDENDUM XV -	**BYRD ANTI-LOBBYING AMENDMENT**
ADDENDUM XVI -	**BID PROPOSAL**
ADDENDUM XVII -	**CORE STAFF POSITIONS**
ADDENDUM XVIII -	**FEDERAL SUBAWARD REPORTING**
ADDENDUM XIX -	**RESERVED - BUSINESS ASSOCIATE AGREEMENT WHEN APPLICABLE**
ADDENDUM XX -	**RESERVED – DATAUSE AND SECURITY AGREEMENT WHEN APPLICABLE**
ADDENDUM XXI -	**RESERVED – MINORITY BUSINESS ENTERPRISE AGREEMENT WHEN APPLICABLE**

ADDENDUM I

REQUEST FOR PROPOSAL /
SCOPE OF WORK

ORIGINAL RFP: TBD

RFP ADDENDA: TBD

SCOPE OF WORK: TBD

ADDENDUM II

BUDGET

TBD

ADDENDUM III

PAYMENTS AND REPORTS SCHEDULE

TBD

ADDENDUM IV
FISCAL ASSURANCES

1. The Contractor agrees to segregate all receipts and disbursements pertaining to this agreement from recipients and disbursements from all other sources, whether by separate accounts or by utilizing a fiscal code system.
2. The Contractor assures a system of adequate internal control will be implemented to ensure a separation of duties in all cash transactions.
3. The Contractor assures the existence of an audit trail which includes: cancelled checks, voucher authorization, invoices, receiving reports, and time distribution reports.
4. The Contractor assures a separate subsidiary ledger of equipment and property will be maintained.
5. The Contractor agrees any unexpended funds from this agreement are to be returned to the State at the end of the time of performance unless the State gives written consent for their retention.
6. The Contractor assures insurance coverage is in effect in the following categories: bonding, vehicles, fire and theft, and liability.
7. The following Federal requirements shall apply pursuant to OMB Guidance for Grants and Agreements. Where applicable:
   - Subpart A - Acronyms and Definitions (200.0 – 200.99)
   - Subpart B – General Provisions (200.100 – 200.113)
   - Subpart C – Pre-Federal Award Requirements and Contents of Federal Awards (200.200 – 200.211)
   - Subpart D – Post Federal Award (200.300 – 200.345)
   - Subpart E – Cost Principles (200.400 – 200.475)
   - Subpart F – Audit Requirements(200.500 – 200.521)
   - All Subsequent Addenda

8. If the Contractor expends Federal awards during the Contractor's particular fiscal year of $750,000 or more, then 2 CFR § 200.500 et. seq., audits of states, local governments and non-profit organizations shall also apply or if applicable, an audit shall be performed in accordance with "Government Auditing Standards" as published by the Comptroller General of the United States (see Paragraph 24).
9. This agreement may be funded in whole or in part with Federal funds. If so, the CFDA reference number is _____ . The Contractor must review applicable Federal Statutes, regulations, terms and conditions of the Federal Award in accordance with 2 CFR § 200.331 (a)(2).

ADDENDUM V

RHODE ISLAND DEPARTMENT OF ADMINISTRATION – HEALTHSOURCE RI

NOTICE TO RHODE ISLAND DEPARTMENT OF ADMINISTRATION – HEALTHSOURCE RI SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Public and private agencies, organizations, institutions, and persons that receive Federal financial assistance through the Rhode Island Department of Administration – HealthSource RI are subject to the provisions of Title VI of the Civil Rights Act of 1964 and the implementing regulations of the United States Department of Health And Human Services (DHHS), which is located at 45 CFR, Part 80, collectively referred to hereinafter as Title VI. Rhode Island Department of Administration – HealthSource RI contracts with Contractors include a Contractor's assurance that in compliance with Title VI and the implementing regulations, no person shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in its programs and activities on the grounds of race, color, or national origin. Additional DHHS guidance is located at 68 FR 47311-02.

Rhode Island Department of Administration – HealthSource RI reserves its right to at any time review Contractors to assure that they are complying with these requirements. Further, Rhode Island Department of Administration – HealthSource RI reserves its right to at any time require from Contractors, Sub-Contractors and Vendors that they are also complying with Title VI.

The Contractor shall have policies and procedures in effect, including, a mandatory written compliance plan, which are designed to assure compliance with Title VI. An electronic copy of the service providers written compliance plan and all relevant policies, procedures, workflows and relevant chart of responsible personnel must be available to Rhode Island Department of Administration – HealthSource RI upon request.

The Contractor's written compliance plan must address the following requirements:

- Written policies, procedures and standards of conduct that articulate the organization's commitment to comply with all Title VI standards.
- Designation of a compliance officer who is accountable to the service provider's senior management.
- Effective training and education for the compliance officer and the organization's employees.
- Enforcement of standards through well-publicized guidelines.
- Provision for internal monitoring and auditing.
- Written complaint procedures
- Provision for prompt response to all complaints, detected offenses or lapses, and for development and implementation of corrective action initiatives.

- Provision that all Contractors, Sub-Contractors and Vendors of the service provider execute assurances that said Contractors, Sub-Contractors and Vendors are in compliance with Title VI.

The Contractor must enter into an agreement with each Sub-Contractor or Vendor under which there is the provision to furnish to it, Rhode Island Department of Administration – HealthSource RI on request full and complete information related to Title VI compliance.

The Contractor must submit, within thirty-five (35) days of the date of a request by Rhode Island Department of Administration – HealthSource RI, full and complete information on Title VI compliance by the Contractor and/or any Sub-Contractor or Vendor of the Contractor.

It is the responsibility of each Contractor to acquaint itself with all of the provisions of the Title VI regulations. A copy of the regulations is available upon request from the community relations liaison officer, **State of Health and Human Services**, 57 Howard Avenue, Cranston, RI 02920; telephone number: (401) 462-5274.

THE REGULATIONS ADDRESS THE FOLLOWING TOPICS:

SECTION:

80.1	PURPOSE
80.2	APPLICATION OF THIS REGULATION
80.3	DISCRIMINATION PROHIBITED
80.4	ASSURANCES REQUIRED
80.5	ILLUSTRATIVE APPLICATION
80.6	COMPLIANCE INFORMATION
80.7	CONDUCT OF INVESTIGATIONS
80.8	PROCEDURE FOR EFFECTING COMPLIANCE
80.9	HEARINGS
80.10	DECISIONS AND NOTICES
80.11	JUDICIAL REVIEW
80.12	EFFECT ON OTHER REGULATIONS; FORMS AND INSTRUCTIONS
80.13	DEFINITION

ADDENDUM VI

RHODE ISLAND DEPARTMENT OF ADMINISTRATION – HEALTHSOURCE RI

NOTICE TO RHODE ISLAND DEPARTMENT OF ADMINISTRATION – HEALTHSOURCE RI CONTRACTORS OF THEIR RESPONSIBILITIES UNDER SECTION USC 504 OF THE REHABILITATION ACT OF 1973

Public and private agencies, organizations, institutions, and persons that receive Federal financial assistance through the Rhode Island Department of Administration – HealthSource RI are subject to the provisions of Section 504 of the Rehabilitation Act of 1973 and the Implementing Regulations of the United States Department of Health And Human Services (DHHS), which are located at 45 CFR, part 84 hereinafter collectively referred to as Section 504. Rhode Island Department of Administration – HealthSource RI contracts with service providers include the provider's assurance that it will comply with Section 504 of the regulations, which prohibits discrimination against handicapped persons in providing health, welfare, or other social services or benefits.

The Contractor shall have policies and procedures in effect, including, a mandatory written compliance plan, which are designed to assure compliance with Section 504. An electronic copy of the Contractor's written compliance plan and all relevant policies, procedures, workflows and relevant chart of responsible personnel must be available to Rhode Island Department of Administration – HealthSource RI upon request.

The Contractor's written compliance plan must address the following requirements:

- Written policies, procedures and standards of conduct that articulate the organization's commitment to comply with all Section 504 standards.
- Designation of a compliance officer who is accountable to the service provider's senior management.
- Effective training and education for the compliance officer and the organization's employees.
- Enforcement of standards through well-publicized guidelines.
- Provision for internal monitoring and auditing.
- Written complaint procedures
- Provision for prompt response to all complaints, detected offenses or lapses, and for development and implementation of corrective action initiatives.
- Provision that all Contractors, Sub-Contractors and Vendors of the service provider execute assurances that said Contractors, Sub-Contractors and Vendors are in compliance with Section 504.

The Contractor must enter into an agreement with each Sub-Contractor or Vendor under which there is the provision to furnish to the contractor, Rhode Island Department of Administration – HealthSource RI on request full and complete information related to Section 504 compliance.

The contractor must submit, within thirty-five (35) days of the date of a request by Rhode Island Department of Administration – HealthSource RI, full and complete information on Section 504 compliance by the Contractor and/or any Sub-Contractor or Vendor of the contractor.

It is the responsibility of each Contractor to acquaint itself with all of the provisions of the Section 504 regulations. A copy of the regulations, together with an August 14, 1978 Policy Interpretation of General Interest to Providers of Health, Welfare, or Other Social Services or Benefits, is available

upon request from the Community Relations Liaison Officer, **State of Health and Human Services**, 57 Howard Avenue, Cranston, RI 02920; telephone number (401) 462-5274.
Contractors should pay particular attention to subparts A, B, C, and F of the regulations which pertain to the following:

SUBPART A - GENERAL PROVISIONS

SECTION:

84.1	PURPOSE
84.2	APPLICATION
84.3	DEFINITIONS
84.4	DISCRIMINATION PROHIBITED
84.5	ASSURANCE REQUIRED
84.6	REMEDIAL ACTION, VOLUNTARY ACTION, AND SELF-EVALUATION
84.7	DESIGNATION OF RESPONSIBLE EMPLOYEE AND ADOPTION OF GRIEVANCE PROCEDURES
84.8	NOTICE
84.9	ADMINISTRATIVE REQUIREMENTS FOR SMALL RECIPIENTS
84.10	EFFECT OF STATE OR LOCAL LAW OR OTHER REQUIREMENTS AND EFFECT OF EMPLOYMENT OPPORTUNITIES

SUBPART B - EMPLOYMENT PRACTICES

SECTION:

84.11	DISCRIMINATION PROHIBITED
84.12	REASONABLE ACCOMMODATION
84.13	EMPLOYMENT CRITERIA
84.14	PREEMPLOYMENT INQUIRIES
84.15 - 84.20	(RESERVED)

SUBPART C - ACCESSIBILITY

SECTION:

84.21	DISCRIMINATION PROHIBITED
84.22	EXISTING FACILITIES
84.23	NEW CONSTRUCTION
84.24 - 84.30	(RESERVED)

SUBPART F - HEALTH, WELFARE, AND SOCIAL SERVICES

SECTION:

84.51	APPLICATION OF THIS SUBPART
84.52	HEALTH, WELFARE, AND OTHER SOCIAL SERVICES
84.53	DRUG AND ALCOHOL ADDICTS
84.54	EDUCATION AND INSTITUTIONALIZED PERSONS
84.55	PROCEDURES RELATING TO HEALTH CARE FOR HANDICAPPED INFANTS
84.56 – 84.60	(RESERVED)

ADDENDUM VII

DRUG-FREE WORKPLACE POLICY

Drug use and abuse at the workplace or while on duty are subjects of immediate concern in our society. These problems are extremely complex and ones for which there are no easy solutions. From a safety perspective, the users of drugs may impair the well-being of all employees, the public at large, and result in damage to property. Therefore, it is the policy of the state that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the workplace. Any employee(s) violating this policy will be subject to discipline up to and including termination. An employee may also be discharged or otherwise disciplined for a conviction involving illicit drug use, regardless of whether the employee's conduct was detected within employment hours or whether his/her actions were connected in any way with his or her employment. The specifics of this policy are as follows:

1. Any unauthorized employee who gives or in any way transfers a controlled substance to another person or sells or manufactures a controlled substance while on duty, regardless of whether the employee is on or off the premises of the employer will be subject to discipline up to and including termination.

2. The term "controlled substance" means any drugs listed in 21 USC, Section 812 and other Federal regulations. Generally, all illegal drugs and substances are included, such as marijuana, heroin, morphine, cocaine, codeine or opium additives, LSD, DMT, STP, amphetamines, methamphetamines, and barbiturates.

3. Each employee is required by law to inform the agency within five (5) days after he/she is convicted for violation of any Federal or State criminal drug statute. A conviction means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any Federal or State Court.

4. The employer (the hiring authority) will be responsible for reporting conviction(s) to the appropriate Federal granting source within ten (10) days after receiving notice from the employee or otherwise receives actual notice of such conviction(s). All conviction(s) must be reported in writing to the Office of Personnel Administration (OPA) within the same time frame.

5. If an employee is convicted of violating any criminal drug statute while on duty, he/ she will be subject to discipline up to and including termination. Conviction(s) while off duty may result in discipline or discharge.

6. The state encourages any employee with a drug abuse problem to seek assistance from the Rhode Island Employee Assistance Program (RIEAP). Your Personnel Officer has more information on RIEAP.

7. The law requires all employees to abide by this policy.

ADDENDUM VIII
DRUG-FREE WORKPLACE POLICY
CONTRACTOR CERTIFICATE OF COMPLIANCE

I, _____, (Name) _____ (Title) _____ (Contractor Name), a contractor doing business with the state of Rhode Island, hereby acknowledge that I have received a copy of the state's policy regarding the maintenance of a **Drug-Free Workplace.** I have been informed that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance (to include but not limited to such drugs as marijuana, heroin, cocaine, PCP, and crack, and may also include legal drugs which may be prescribed by a licensed physician if they are abused), is prohibited on the State's premises or while conducting State business. I acknowledge that my employees must report for work in a fit condition to perform their duties.

As a condition for contracting with the state, as a result of the Federal Omnibus Drug Act, I will require my employees to abide by the state's policy. Further, I recognize that any violation of this policy may result in termination of the contract.

SIGNATURE:

_____

TITLE:

_____

DATE:

_____

ADDENDUM IX

SUBCONTRACTOR COMPLIANCE

I, _____ (Name), _____ (Title), _____ (Contractor Name), a contractor doing business with the state of Rhode Island, hereby certify that all approved subcontractors performing services pursuant to this agreement will have executed written contracts with (***CONTRACTOR NAME***). All such contracts shall contain language identical to the following provisions of this agreement as follows:

PAR. 12. CONTRACTOR'S LIABILITY/INDEMNIFICATION

PAR. 13. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES

SIGNATURE:

_____

TITLE:

_____

DATE:

_____

ADDENDUM X

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part c - Environmental Tobacco Smoke (20 U.S.C.A.§ 6081-6084), also known as the Pro-Children Act of 1994 **(Act)** , requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through state or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

Any failure to comply with a prohibition in this section shall be a violation of this section and any person subject to such prohibition who commits such violation may be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, or may be subject to an administrative compliance order, or both, as determined by the Secretary. Each day a violation continues shall constitute a separate violation. In the case of any civil penalty under this section, the total amount shall not exceed the amount of Federal funds received by such person for the fiscal year in which the continuing violations occurred.

By signing and submitting this application the applicant/contractor certifies that it will comply with the requirements of the Act**.** The applicant/contractor further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for children's services and that all sub-contractors shall certify accordingly.

SIGNATURE:

_____

TITLE:

_____

DATE:

_____

ADDENDUM XI

INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

PRIMARY COVERED TRANSACTIONS

By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

1. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the State's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or explanation shall disqualify such person from participation in this transaction.

2. The certification in this clause is a material representation of fact upon which reliance was placed when the State determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the State. The State may terminate this transaction for cause or default.

3. The prospective primary participant shall provide immediate written notice to the State if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the definitions and coverage sections of the rules implementing Executive Order 12549.

5. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the State.

6. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled certification regarding debarment, suspension, ineligibility and voluntary exclusion - lower tier covered transactions, provided by the State, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which

it determines the eligibility of its principals. Each participant may, but is not required to, check the non-procurement list (of excluded parties).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by as prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under Paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the State may terminate this transaction for cause of default.

ADDENDUM XII

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS

The contractor, as the primary participant, certifies to the best of the contractor's knowledge and belief, that the contractor and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

2. Have not within a three (3) year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under public transaction; violation of federal or state antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. Are not presently indicated or otherwise criminally or civilly charged by a governmental entity (federal, State or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and

4. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statement in this certification, such prospective participant shall attach an explanation to this proposal.

SIGNATURE:

_____

TITLE:

_____

DATE:

_____

ADDENDUM XIII

LIQUIDATED DAMAGES

The prospective primary participant contractor agrees that time is of the essence in the performance of certain designated portions of this contract. The State and the contractor agree that in the event of a failure to meet the milestones and project deliverable dates or any standard of performance within the time set forth in the State's bid proposal and the contractor's proposal response (Addendum XVI), damage shall be sustained by the State and that it may be impractical and extremely difficult to ascertain and determine the actual damages which the State will sustain by reason of such failure. It is therefore agreed that State, at its sole option, may require the contractor to pay liquidated damages for such failures with the following provisions:

1. Where the failure is the sole and exclusive fault of the State, no liquidated damages shall be imposed. To the extent that each party is responsible for the failure, liquidated damages shall be reduced by the apportioned share of such responsibility.

2. For any failure by the contractor to meet any performance standard, milestone or project deliverable, the State may require the contractor to pay liquidated damages in the amount(s) and as set forth in the state's general conditions of purchase as described particularly in the LOI, RFP, RFQ, or scope of work, however, any liquidated damages assessed by the State shall not exceed **10%** of the total amount of any such month's invoice in which the liquidated damages are assessed and shall not in the aggregate, over the life of the agreement, exceed the total contract value.

Written notification of failure to meet a performance requirement shall be given by the State's project officer to the contractor's project officer. The contractor shall have a reasonable period designated by the State from the date of receipt of written notification. If the failure is not materially resolved within this period, liquidated damages may be imposed retroactively to the date of expected delivery.

In the event that liquidated damages have been imposed and retained by the State, any such damages shall be refunded, provided that the entire system takeover has been accomplished and approved by the State according to the original schedule detailed in the contractor's proposal response included in this contract (Addendum XVI) as modified by mutually agreed upon change orders.

To the extent liquidated damages have been assessed, such damages shall be the sole monetary remedy available to the State for such failure. This does not preclude the state from taking other legal action.

ADDENDUM XIV

EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this agreement, the contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment relating to this agreement because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, unless related to a bona fide occupational qualification. The Contractor shall take affirmative action to ensure that applicants are employed and employees are treated equally during employment, without regard to their race, color, religion, sex, age, national origin, or physical or mental disability.

   Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.

2. The Contractor shall, in all solicitations or advertising for employees placed by or on behalf of the contractor relating to this agreement, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability.

3. The Contractor shall inform the contracting State's equal employment opportunity coordinator of any discrimination complaints brought to an external regulatory body (RI Ethics Commission, RI Department of Administration, US DHHS Office of Civil Rights) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.

4. The Contractor shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.

5. Contractors and subcontractors with agreements in excess of $50,000 shall also pursue in good faith affirmative action programs.

6. The Contractor shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

ADDENDUM XV

BYRD ANTI-LOBBYING AMENDMENT

No Federal or State appropriated funds shall be expended by the contractor for influencing or attempting to influence an officer or employee of any agency, a member of congress or State Legislature, an officer or employee of congress or state legislature, or an employee of a member of congress or state legislature in connection with any of the following covered actions: the awarding of any agreement; the making of any grant; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any agreement, grant, or cooperative agreement. Signing this agreement fulfills the requirement that contractors receiving over $100,000 in Federal or State funds file with the State on this provision.

If any Non-Federal or State Funds have been or will be paid to any person in connection with any of the covered actions in this provision, the Contractor shall complete and submit a "Disclosure of Lobbying Activities" form.

The Contractor must certify compliance with all terms of the Byrd Anti-Lobbying Amendment (31 U.S.C 1352) as published in the Federal Register May 27, 2003, Volume 68, Number 101.

The Contractor hereby certifies that it will comply with Byrd Anti-Lobbying Amendment provisions as defined in 45 CFR Part 93 and as amended from time to time.

SIGNATURE:

_____

TITLE:

_____

DATE:

_____

ADDENDUM XVI

BID PROPOSAL

ADDENDUM XVII

CORE STAFF POSITIONS

TBD

ADDENDUM XVIII

FEDERAL SUBAWARD REPORTING
FFATA FORM

See Attached RI Office of Management and Budget, Sub-Award Reporting Worksheet

Directions:
For contracts awarding more than $25,000 in FEDERAL funds, include Transparency Act Questionnaire for agency to complete and return.

If award is not for Federal funds, or is for less than $25,000, enter "Reserved" under the above heading, and no questionnaire should be provided.

IMPORTANT ITEMS TO NOTE ABOUT NEW REQUIREMENT

The Federal Funding Accountability and Transparency Act (FFATA or Transparency Act - P.L.109-282, as amended by section 6202(a) of P.L. 110-252) requires the Office of Management and Budget (OMB) to maintain a single, searchable website that contains current information on all Federal spending awards. That site is at www.USASpending.gov.

- Includes both mandatory and discretionary grants
- Do not include grants funded by the Recovery Act (ARRA)
- For more information about Federal Spending Transparency, refer to http://www.whitehouse.gov/omb/open
- If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award will be subject to the reporting requirements, as of the date the award exceeds $25,000
- If the initial award equals or exceeds $25,000 but funding is subsequently de-obligated such that the total award amount falls below $25,000, the award continues to be subject to the reporting requirements of the Transparency ACT and this Guidance

Rev. 06

Rhode Island Office of Management & Budget
Sub-Award Reporting Worksheet
Please type or print clearly in black or blue ink, answer all questions, and sign and date the form.

Section 1: State Agency and Federal Award Information			
Agency Contact Name		Agency Contact Telephone	
Sub-Award Program Name		Agency Contact Email	
Sub-Award Program Description			
Federal Award Information			
Federal Program Name		Federal Awarding Agency	
Federal Award Number		Date of Federal Award	
Award Type		CFDA Number	
Prime Agency DUNS +4	+	Amount Obligated from this Award	
Is sub-award funded by more than one federal award?		Yes *	

* *If yes, use Attachment 1-A to provide information on additional federal awards funding this sub-award.*

Section 2: Sub-Awardee Information			
Sub-Awardee DUNS+4	+	System for Award Management Registration Expiration Date (if applicable)	
Sub-Awardee Name (as registered in DUNS)			
Sub-Awardee Address (as registered in DUNS) (where work performed) Number and Street		Sub-Award Principal Place of Performance Number and Street	
City		City	
State		State	
ZIP+4	+	ZIP+4	+

Executive Compensation† (to be completed by sub-awardee)		
In preceding fiscal year, did federal funds from all sources make up more than 80% of agency budget? If no, stop. Do not report executive compensation. Proceed to Sub-Awardee Certification.	Yes	
In preceding fiscal year, did your agency receive more than $25 million in federal funds? If no, stop. Do not report executive compensation. Proceed to Sub-Awardee Certification.	Yes	
Is information about the compensation of the senior executives in the sub-recipient's organization (including parent organization, all branches, and all affiliates worldwide) publicly available? If no, report executive compensation for five highest paid officials below.	Yes	

1.	Official Name	Compensation Amount
2.	Official Name	Compensation Amount
3.	Official Name	Compensation Amount
4.	Official Name	Compensation Amount
5.	Official Name	Compensation Amount

† *See Federal Register Volume 75, No. 177, Appendix A, Paragraph E5 for guidance on reporting executive compensation.*

Sub-Awardee Certification

I certify, to the best of my knowledge and belief, that the information provided is complete and accurate, and that I am authorized to sign contracts and other legally binding documents on behalf of the entity. I understand that my typed name below shall have the same force and effect as my written signature.

Signature Title of Signatory
Date

Section 3: Sub-Award Information (for state agency administrative purposes only)					
Sub-Award Number		**Sub-Award Date**		**FFATA Report Month**	
Amendment 1 Obligation Amount		**Amendment 1 Date**		**FFATA Report Month**	
Amendment 2 Obligation Amount		**Amendment 2 Date**		**FFATA Report Month**	

ADDENDUM XIX

Business Associate Agreement

Except as otherwise provided in this Business Associate Agreement Addendum, Vendor (hereinafter referred to as "Business Associate"), may use, access or disclose Protected Health Information to perform functions, activities or services for or on behalf of the State of Rhode Island (hereinafter referred to as the "Covered Entity"), as specified herein and the attached Agreement between the Business Associate and the Covered Entity (hereinafter referred to as "the Agreement"), which this addendum supplements and is made part of, provided such use, access, or disclosure does not violate the Health Insurance Portability and Accountability Act (HIPAA), 42 USC 1320d et seq., and its implementing regulations including, but not limited to, 45 CFR, parts 160, 162 and 164, hereinafter referred to as the Privacy and Security Rules and patient confidentiality regulations, and the requirements of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009, Public Law 111-5 (HITECH Act) and any regulations adopted or to be adopted pursuant to the HITECH Act that relate to the obligations of business associates, Rhode Island Mental Health Law, R.I. General Laws Chapter 40.1-5-26, and Confidentiality of Health Care Communications and Information Act, R.I. General Laws Chapter 5-37.3-1 et seq. Business Associate recognizes and agrees it is obligated by law to meet the applicable provisions of the HITECH Act.

1. Definitions:

A. Generally:

(1) Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 C.F.R. §§ 160.103, 164.103, and 164.304, 164.501 and 164.502.

(2) The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA, the Privacy and Security Rules and the HITECH Act: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

B. Specific:

(1) "Addendum" means this Business Associate Agreement Addendum.

(2) "Agreement" means the contractual Agreement by and between the State of Rhode Island, and Business Associate, awarded pursuant to State of Rhode Island's Purchasing Law (Chapter 37-2 of the Rhode Island General Laws) and Rhode Island Department of Administration, Division of Purchases, Purchasing Rules, Regulations, and General Conditions of Purchasing.

C. "Business Associate" generally has the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean Vendor.

D. "Client/Patient" means Covered Entity funded person who is a recipient and/or the client or patient of the Business Associate.

E. "Covered Entity" generally has the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the State of Rhode Island.

F. "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed or consulted by authorized health care clinicians and staff.

G. "Electronic Protected Health Information" or "Electronic PHI" means PHI that is transmitted by or maintained in electronic media as defined in the HIPAA Security Regulations.

H. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

I. "HIPAA Privacy Rule" means the regulations promulgated under HIPAA by the United States Department of Health and Human Services to protect the privacy of Protected Health Information including, the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

J. "HITECH Act" means the privacy, security and security Breach notification provisions applicable to Business Associate under Subtitle D of the Health Information Technology for Economic and Clinical Health Act, which is Title XII of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and any regulations promulgated thereunder and as amended from time to time.

K. "Secured PHI" means PHI that was rendered unusable, unreadable or indecipherable to unauthorized individuals through the use of technologies or methodologies specified under or pursuant to Section 13402 (h)(2) of the HITECH Act under ARRA.

L. "Security Incident" means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information.

M. "Security Rule" means the Standards for the security of Electronic Protected Health Information found at 45 CFR Parts 160 and 162, and Part 164, Subparts A and C. The application of Security provisions Sections 164.308, 164.310, 164.312, and 164.316 of title 45, Code of Federal Regulations shall apply to Business Associate of Covered Entity in the same manner that such sections apply to the Covered Entity.

N. "Suspected breach" is a suspected acquisition, access, use or disclosure of protected health information (“PHI”) in violation of HIPAA privacy rules, as referenced above, that compromises the security or privacy of PHI.

O. "Unsecured PHI" means PHI that is not secured, as defined in this section, through the use of a technology or methodology specified by the Secretary of the U.S. Department of Health and Human Services.

2. <u>Obligations and Activities of Business Associate.</u>

A. Business Associate agrees to not use or further disclose PHI other than as permitted or required by this Agreement or as required by Law, provided such use or disclosure would also be permissible by law by Covered Entity.

B. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate agrees to implement Administrative Safeguards, Physical Safeguards and Technical Safeguards ("Safeguards") that reasonably and appropriately protect the confidentiality, integrity and availability of PHI as required by the "Security Rule."

C. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

D. Business Associate agrees to report to Covered Entity any use or disclosure of the PHI not provided for by this Agreement, including breaches of unsecured PHI as required by 45 C.F.R. § 164.410, and any Security Incident of which it becomes aware, within five (5) days of the incident.

E. Business Associate agrees to ensure that any agent, including a subcontractor or vendor, to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information through a contractual arrangement that complies with 45 C.F.R. § 164.314.

F. Business Associate agrees to provide paper or electronic access, at the request of Covered Entity and in the time and manner designated by Covered Entity, to PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524. If the Individual requests an electronic copy of the information, Business Associate must provide Covered Entity with the information requested in the electronic form and format requested by the Individual and/or Covered Entity if it is readily producible in such form and format; or, if not, in a readable electronic form and format as requested by Covered Entity.

G. Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 C.F.R. §164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity. If Business Associate receives a request for amendment to PHI directly from an Individual, Business Associate shall notify Covered Entity upon receipt of such request.

H. Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, created or received by Business Associate on behalf of Covered Entity available to Covered Entity, or at the request of Covered Entity to the Secretary, in a time and manner designated by Covered Entity or the Secretary, for the purposes of the Secretary determining compliance with the Privacy Rule and Security Rule.

I. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. §164.528.

J. Business Associate agrees to provide to Covered Entity or an Individual, in a time and manner designated by Covered Entity, information collected in accordance with this Agreement, to permit Covered Entity to respond to a request by an individual for an accounting of disclosures for PHI in accordance with 45 §C.F.R. 164.528.

K. If Business Associate accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses, or discloses Unsecured Protected Health Information (as defined in 45 C.F.R. § 164.402) for Covered Entity, it shall, following the discovery of a breach of such information, notify Covered Entity of such breach within a period of five (5) days after discovery of the breach. Such notice shall include: a) the identification of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been accessed, acquired or disclosed during such breach; b) a brief description of what happened, including the date of the breach and discovery of the breach; c) a description of the type of Unsecured PHI that was involved in the breach; d) a description of the investigation into the breach, mitigation of harm to the individuals and protection against further breaches; e) the results of any and all investigation performed by Business Associate related to the breach; and f) contact information of the most knowledgeable individual for Covered Entity to contact relating to the breach and its investigation into the breach.

L. To the extent the Business Associate is carrying out an obligation of the Covered Entity's under the Privacy Rule, the Business Associate must comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligation.

M. Business Associate agrees that it will not receive remuneration directly or indirectly in exchange for PHI without authorization unless an exception under 45 C.F.R. § 164.502(a)(5)(ii)(B)(2) applies.

N. Business Associate agrees that it will not receive remuneration for certain communications that fall within the exceptions to the definition of Marketing under 45 C.F.R. §164.501, unless permitted by 45 C.F.R. § 164.508(a)(3)(A)-(B).

O. If applicable, Business Associate agrees that it will not use or disclose genetic information for underwriting purposes, as that term is defined in 45 C.F.R. § 164.502.

P. Business Associate hereby agrees to comply with state laws and rules and regulations applicable to PHI and personal information of individuals' information it receives from Covered Entity during the term of the Agreement.

   i. Business Associate agrees to: (a) implement and maintain appropriate physical, technical and administrative security measures for the protection of personal information as required by any state law and rules and regulations; including, but not limited to: (i) encrypting all transmitted records and files containing personal information that will travel across public networks, and encryption of all data containing personal information to be transmitted wirelessly; (ii) prohibiting the transfer of personal information to any portable device unless such transfer has been approved in advance; and (iii) encrypting any personal information to be transferred to a portable device; and (b) implement and maintain a Written Information Security Program as required by any state law as applicable.

   ii. The safeguards set forth in this Agreement shall apply equally to PHI, confidential and "personal information." Personal information means an individual's first name and last

name or first initial and last name in combination with any one or more of the following data elements that relate to such resident: (a) Social Security number; (b) driver's license number or state-issued identification card number; or (c) financial account number, or credit or debit card number, with or without any required security code, access code, personal identification number or password, that would permit access to a resident's financial account; provided, however, that "personal information" shall not include information that is lawfully obtained from publicly available information, or from federal, state or local government records lawfully made available to the general public.

3. Permitted Uses and Disclosures by Business Associate.

   a. Except as otherwise limited to this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Service Arrangement, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity required by 45 C.F.R. §164.514(d).

   b. Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

   c. Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

   d. Except as otherwise limited in this Agreement, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. §164.504 (e)(2)(i)(B).

   e. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 C.F.R. §164.502(j)(1).

4. Obligations of Covered Entity

   a. Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Business Associate’s use or disclosure of PHI.

   b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI to the extent that such changes may affect Business Associate’s use or disclosure of PHI.

   c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. §164.522, to the extent that such restriction may affect Business Associate’s use or disclosure of PHI.

5. Permissible Requests by Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity, provided that, to the extent permitted by the Service Arrangement, Business Associate may use or disclose PHI for Business Associate's Data Aggregation activities or proper management and administrative activities.

6. Term and Termination.

   a. The term of this Agreement shall begin as of the effective date of the Service Arrangement and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions of this Section.

   b. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

      i. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Service Arrangement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity.

      ii. Immediately terminate this Agreement and the Service arrangement if Business Associate has breached a material term of this Agreement and cure is not possible.

   c. Except as provided in paragraph (d) of this Section, upon any termination or expiration of this Agreement, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI. Business Associate shall ensure that its subcontractors or vendors return or destroy any of Covered Entity's PHI received from Business Associate.

   d. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon Covered Entity's written agreement that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

7. Miscellaneous.

   a. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.

b. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of HIPAA, the Privacy and Security Rules and HITECH.

c. The respective rights and obligations of Business Associate under Section 6 (c) and (d) of this Agreement shall survive the termination of this Agreement.

d. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with HIPAA and HITECH.

e. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.

f. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer upon any person other than Covered Entity, Business Associate and their respective successors and assigns, any rights, remedies, obligations or liabilities whatsoever.

g. Modification of the terms of this Agreement shall not be effective or binding upon the parties unless and until such modification is committed to writing and executed by the parties hereto.

h. This Agreement shall be binding upon the parties hereto, and their respective legal representatives, trustees, receivers, successors and permitted assigns.

i. Should any provision of this Agreement be found unenforceable, it shall be deemed severable and the balance of the Agreement shall continue in full force and effect as if the unenforceable provision had never been made a part hereof.

j. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed in accordance with, the laws of the State of Rhode Island, including all matters of construction, validity and performance.

k. All notices and communications required or permitted to be given hereunder shall be sent by certified or regular mail, addressed to the other party as its respective address as shown on the signature page, or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

l. This Agreement, including such portions as are incorporated by reference herein, constitutes the entire agreement by, between and among the parties, and such parties acknowledge by their signature hereto that they do not rely upon any representations or undertakings by any person or party, past or future, not expressly set forth in writing herein.

m. Business Associate shall maintain or cause to be maintained sufficient insurance coverage as shall be necessary to insure Business Associate and its employees, agents, representatives or subcontractors against any and all claims or claims for damages arising under this Business Associate Agreement and such insurance coverage shall apply to all services provided by Business Associate or its agents or subcontractors pursuant to this Business Associate Agreement. Business Associate shall indemnify, hold harmless and defend Covered Entity from and against

any and all claims, losses, liabilities, costs and other expenses (including but not limited to, reasonable attorneys' fees and costs, administrative penalties and fines, costs expended to notify individuals and/or to prevent or remedy possible identity theft, financial harm, reputational harm, or any other claims of harm related to a breach) incurred as a result of, or arising directly or indirectly out of or in connection with any acts or omissions of Business Associate, its employees, agents, representatives or subcontractors, under this Business Associate Agreement, including, but not limited to, negligent or intentional acts or omissions. This provision shall survive termination of this Agreement.

8. Acknowledgment.

The undersigned affirms that he/she is a duly authorized representative of the Business Associate for which he/she is signing and has the authority to execute this Addendum on behalf of the Business Associate.

Acknowledged and agreed to by:

_____
Director
HeatlthSource RI

_____
Date

_____
Authorized Agent
Vendor

_____
Date

ADDENDUM XX

RESERVED

ADDENDUM XXI

MINORITY BUSINESS AGREEMENT

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
Minority Business Enterprise Compliance Office
Minority Business Enterprise Utilization Plan

Company Name: _____

Representative's Name who administers MBE Program:_____

Street Address:_____

City, State, Zip:_____ Telephone: _____

Email:_____ Project Location: _____

Bid or Project #: _____ Date Bid Opened:_____

Description of Work: _____

Contract Value: _____ MBE % Assigned:_____

Total # of Subcontractors/Suppliers used: _____ # of MBE Subcontractors/Suppliers used:_____

List All Subcontractors/Suppliers/Consultants/Independent Contractors – Total Dollar Amounts – Scope of Work:

Subcontractor / Supplier	Dollar Value	Scope/Description of Work	RI Certified MBE Y/N

Note: *Only those Minority Business Enterprises certified by the Rhode Island Department of Administration may be utilized to fulfill the MBE participation requirement pursuant to RIGL 37-14.1. Vendors may count towards it MBE requirement 60% of expenditures for material and supplies required under a contract and obtained from an MBE regular dealer/supplier, and 100% of such expenditures when obtained from an MBE manufacturer. For firms certified as a broker, only the fees and commission charged for the procurement, but not the cost of the materials or services, are eligible for MBE participation credit. Also note that MBE firms identified above must complete all work under their respective contracts with their own forces.*

The above referenced contract will not be released until this plan has been approved by the Director of the Department of Administration or its designee.

For assistance and advice in identifying MBE firms, please call the Minority Business Enterprise Compliance Office at (401) 574-8670. The directory of all certified MBE firms is also located at www.mbe.ri.gov .

Signature of Authorized Agent of Business: _____ Date:_____

Send Completed Form to: **Minority Business Enterprise Compliance Office**
Department of Administration
One Capitol Hill 2nd Floor
Providence, RI 02908
Phone: (401) 574-8670
Fax: (401) 574-8387
Web site: www.mbe.ri.gov